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Working Paper

THE 100 LARGEST STEEL COMPANIES OF THE FREE WORLD

prepared

by

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PREFACE

Collective bargaining takes varying forms in the different free countries. Sometimes negotiations are carried on with an association speaking for an entire steel industry. In other cases, agreements may be made on a regional basis or even for a single company. In a few instances, discussions take place before a government tribunal.

But regardless of how, and at what level, labor contracts are conceived, they are ultimately all carried out at the same place: by the individual employing firm. It is the circumstances of this unit that to a large extent determine how successful the union will or could be. Other factors also are important, as for example the strength and determination of the union, general economic developments, productivity trends, and so forth. But the condition of the employer, or rather, his ability to satisfy union demands, is always a major consideration, whether argued or not, in reaching a settlement.

Previous Iron and Steel Department conferences have disclosed that there are vast differences in wages, hours and working conditions among the steel industries of the participating countries. The purpose of this study was to try and ascertain whether such disparities in return to labor are inherent and therefore inevitable, or whether they have been imposed and are therefore subject to alteration.

So the question boils down to this: are wages (together with all other benefits for the workers) lower in one country than another because the steel companies in the one "cannot afford" to pay as much as in the other?

To answer this question, it is necessary to make comparisons of the amounts that are taken in by the individual companies, that is, the gross revenues or sales (or turnover) and then to examine how these monies are allocated; that is, the respective shares that go to the various elements which constitute an active business. Among such charges would be purchases of materials and outside services, as for example freight, interest on debt, and taxes. The foregoing are more or less fixed; at least, they are not as elastic from the union point of view as the shares going to ownership and labor. It is these last two factors that give the clue to the answer to our question. Everyone knows in general what should be counted in the share going to labor. There will be minor differences of opinion as to whether the costs of employee recruitment or a vacation resort should be included; these, however, are of minor importance. But the ownership share is more tricky. First, it is of course net profits, and that includes both dividends and reinvested profits. Ownership, however, has another share which, in recent years, has often been bigger than net profits - in many cases, several times bigger - and which has the curious effect of causing net profits to appear smaller than they really are. This second ownership share is called depreciation. The phenomenon of depreciation will be treated at length in the study. Depreciation can be large or small, depending upon the laws of the land. It has an inverse effect upon stated profits. If it is "normal", then net profits will be "normal." If it is "special" or "rapid", and therefore large, then net profits will appear smaller. To put it briefly, depreciation is really profits. In normal usage, it is intended to keep the plant in a state of permanent renewal. In its special or rapid form, it serves other purposes as well. But in either case, it is actually a part of ownership's share of the revenues. Some companies which show a loss are actually, because of abnormally high depreciation, among the most profitable of all, and, in spite of the stated "loss", shower real benefits on the owners, in terms of increased value of the capital stock shares.

There was a time, in the dawn of capitalism, when the ownership share was much larger than that of labor. That was the case, for example, during the early years of the Carnegie Steel Company, the predecessor of the United States Steel Corporation. Scarcely anyone will assert today that capital should receive a return for its money that even approaches that to which labor is entitled for full-time work. But there is no apostolic formula for ascertaining just what

share each may properly expect. It therefore becomes of interest to set forth the shares going to labor and to the owners on a company-by-company basis, and then to see how far national patterns develop and to what extent they appear justifiable. That is why this study begins with a tabular summary, where these relationships can be readily perceived. Again it must be emphasised that depreciation is an ownership share, just as dividends are.

This tabular summary should be scrutinized first. How do companies with roughly the same sales revenues and production compare with each other in the respective shares going to labor and ownership, where are labor shares low (especially where the number of employees is larger) and the combined total of dividends and depreciation high? That is where we have to start, to find the answer to our question as to which wage differentials are fore-ordained and inevitable, and which are imposed and therefore capable of rectification.

THE 100 LARGEST STEEL COMPANIES OF THE FREE WORLD

On the following five pages is a chart showing, in descending order of 1955 crude steel production, certain salient employment and financial facts about the "One Hundred Largest Steel Companies of the Free World."

The "company" is the corporate form considered in this report. This corporate form is, as wil be more fully explained in the text, that one concerning which the most amount of information can be gleaned with an effort being made to stay as close to steel as possible and not to stray into other industries unless the companies reporting practices make this unavoidable.

"Fully integrated" means the company corporate form here analysed has its own sources of raw materials and its plants include every process from coke ovens, blast furnaces, steel works and rolling mills, with in some cases fabrication or manufacture or both plus in a more limited number of cases other operations as well.

"Almost fully integrated" means that only one element, like iron ore or coal mines, is lacking.

"Coke and steel plant" means that the company has an integrated steel plant, i.e. coke to rolling mills, but lacks its own raw materials.

Money figures are expressed in terms of Swiss francs at the legal, or in the case of the strong, free currencies, the market rate of exchange.

"Sales or turnover" are the gross revenues for sales of products, but they also include other income.

"Labor costs" are total wages and salaries plus the costs of all other benefits for the employees such as social security, holiday pay, vacation pay and so forth.

"Dividends" mean not only cash payments, but also the "fair value" of stock shares distributed to shareholders in addition to or in lieu of dividends.

"Depreciation" is the total amortization in all its forms claimed by the company.

All these terms will be more fully explained in the appropriate places in the text.

TABULAR SUMMARY OF THE 100 LARGEST STEEL COMPANIES OF THE FREE WORLD - 1 9 5 5

	Company	Country	Corporate Structure	Crude Steel produced (metric tons)	Employment	Sales or Turnover 1000 Sw. fr.	Labor Costs 1000 Sw.fr.	% Labor Costs to Sales	Dividends paid 1000 Sw.fr.	Depreciation 1000 Sw.fr.
1.	United States Steel Corporation	USA	Fully integrated	32 031 705	272 646	17 620 025	6 944 008	39.4	636 947	1 226 357
2.	Bethlehem Steel Corporation	USA	Fully integrated	17 074 047	144 853	9 092 778	3 253 208	36.8	326 919	441 412
3.	Republic Steel Corporation	USA	Fully integrated	8 781 660	66 083	5 138 907	1 701 091	33.1	165 139	195 531
4.	Jones & Laughlin Steel Corp.	USA	Fully integrated	5 615 475	41 001	3 004 952	1 017 844	33.9	66 693	159 190
5.	National Steel Corporation	USA	Fully integrated	5 550 000	28 889	2 707 175	747 675	27.6	102 943	173 012
6.	Youngstown Sheet & Tube Company	USA	Fully integrated	5 054 432	28 262	2 692 801	724 721	26.9	54 375	177 235
7.	Inland Steel Corporation	USA	Fully integrated	4 707 844	27 908	2 852 265	733 328	25.7	99 090	92 579
8.	Armco Steel Corporation	USA	Fully integrated	4 626 557	31 504	3 014 258	816 713	27.1	88 691	145 687
9.	ARBED	Luxembourg	Fully integrated	2 695 316	n.a.	n.a.	n.a.	n.a.	23 613	69 508
10.	United Steel Companies Ltd.	Great Britain	Almost fully integ.	2 599 944	34 785	1 107 853	258 910	23.4	26 927	31 224
11.	Dortmund-Hörder Hüttenunion	Germany	Coke & steel plant	2 529 036	20 752	934 953	184 045	19.7	9 579	88 740
12.	Phoenix-Rheinrohr	Germany	Fully integrated	2 216 256	25 465	1 292 067	197 497	15.3	15 086	93 846
13.	Yawata Iron & Steel	Japan	Coke & steel plant	2 166 821	35 971	965 654	117 458	12.2	7 582	
14.	Dorman, Long	Great Britain	Steel, engineering, chem.	1 981 330	31 000	n.a.	n.a.	n.a.	14 987	21 387
15.	Cockerill-Ougrée	Belgium	Fully integrated	1 980 000	41 395	n.a.	345 661	n.a.	27 115	87 456

TABULAR SUMMARY OF THE 100 LARGEST STEEL COMPANIES OF THE FREE WORLD - 1 9 5 5

	Company	Country	Corporate Structure	Crude Steel produced (metric tons)	Employment	Sales or Turnover 1000 Sw.fr.	Labor Costs 1000 Sw.fr.	% Labor Costs to Sales	Dividends paid 1000 Sw.fr.	Depreciation 1000 Sw.fr.
16.	Usinor	France	Almost fully integ.	1 945 000	16 000	959 045	162 652	17.0	12 494	112 190
17.	Colvilles	Gt.Brit.	Coke & steel plant	1 879 204	17 000	699 470	126 063	18.0	14 272	12 622
18.	Steel Co. of Canada	Canada	Fully integrated	1 868 887	13 144	976 123	263 717	27.0	24 672	60 093
19.	Wheeling Steel Corp.	USA	Fully integrated	1 866 340	14 075	1 072 614	396 201	36.9	69 023	67 966
20.	Rheinhausen	Germany	Coke & steel plant	1 847 399	12 584	667 377	110 231	16.5	-0-	80 034
21.	Richard, Thomas & Baldwin	Great Britain	Almost fully integrated	1 775 968	25 500	913 113	168 060	17.5	17 898	21 339
22.	Steel Co. of Wales	Gt.Brit.	Coke & steel plant	1 775 968	26 450	n.a.	n.a.	n.a.	4 769	51 351
23.	Fuji Iron & Steel	Japan	Coke & steel plant	1 769 704	22 847	809 728	71 239	8.8	7 023	
24.	Mannesmann	Germany	Fully integrated	1 768 000	66 000	2 595 588	501 875	19.3	29 985	165 804
25.	Colorado Fuel & Iron	USA	Fully integrated	1 756 674	20 652	1 107 435	461 132	41.6	19 969	34 511
26.	Lorraine-Escaut	France	Fully integrated	1 627 000	27 048	929 773	272 701	29.3	13 369	86 444
27.	Klöckner Werke	Germany	Fully integrated	1 609 974	30 000					
28.	Sidelor	France	Almost fully integ.	1 585 000		808 971			9 370	64 745
29.	de Wendel	France	Almost fully integ.	1 520 000	20 000	942 029				
30.	Hoesch	Germany	Fully integrated	1 511 752	33 464	1 580 228	263 779	16.7	19 678	112 150
31.	Oberhausen	Germany	Steel plant	1 483 510	13 590	613 238	108 617	17.7	6 497	82 704
32.	Stewarts & Lloyds	Gt.Brit.	Almost fully integ.	1 407 160	40 000*	n.a.	n.a.	n.a.	27 999	28 859
33.	Sharon Steel Corp.	USA	Fully integrated	1 386 801	9 061	744 313	235 548	31.7	11 825	20 277
34.	Ilva	Italy	Coke & steel plant; some fabrication	1 339 453	21 928	644 604	n.a.	n.a.	12 246	51 082
35.	Kaiser Steel Corp.	USA	Fully integrated	1 299 762	9 732	586 138	174 735	29.8	19 969	103 538
36.	South African Iron & Steel	South Africa	Fully integrated	1 287 296	n.a.	485 710	n.a.	n.a.	14 075	n.a.
37.	August Thyssen	Germany	Coke & steel plant	1 281 288	7 819	534 110	71 001	13.3	-0-	93 954

* plus overseas

TABULAR SUMMARY OF THE 100 LARGEST STEEL COMPANIES OF THE FREE WORLD - 1955

	Company	Country	Corporate Structure	Crude Steel produced (metric tons)	Employment	Sales or Turnover 1000 Sw.fr.	Labor Costs 1000 Sw.fr.	% Labor Costs to Sales	Dividends paid 1000 Sw.fr.	Depreciation 1000 Sw.fr
38.	Australian Iron & Steel	Australia	Fully integrated	1 212 088	14 500	n.a.	n.a.	n.a.	8 669	34 234
39.	Pittsburgh Steel Corp.	USA	Fully integrated	1 182 518	10 108	764 142	266 354	34.9	11 742	52 435
40.	Forges de la Providence	Belgium	Fully integrated	1 182 000	n.a.	n.a.	n.a.	n.a.	8 921	35 244
41.	Crucible Steel Corp.	USA	Fully integrated	1 108 739	15 359	1 024 154*	377 555	36.9	17 722	46 154
42.	Nippon Steel Tube	Japan	Steel & ship	1 090 459	25 316	647 690			9 113	
43.	Bochumer Verein	Germany	Steel plant & foundry	1 088 820	16 020	589 947	132 434	22.4	-0-	42 763
44.	Tata	India	Fully integrated	1 056 640	62 328	368 189	105 364	31.2	17 582	
45.	Hainaut-Sambre	Belgium	Coke & steel plant	1 026 000	7 250	n.a.	62 786	n.a.	7 084	14 219
46.	Broken Hill	Australia	Fully integrated	1 020 000**	14 500**	n.a.	n.a.	n.a.		
47.	Völkling	Saar	Coke & steel plant	1 000 000	13 000	n.a.	n.a.	n.a.	n.a.	n.a.
48.	Granite City Steel	USA	Coke & steel plant	989 738	4 732	500 064	112 138	22.4	18 562	54 761
49.	Algoma	Canada	Fully integrated	898 325	8 250	493 454	n.a.	n.a.	-0-	21 843
50.	Consett	Gt.Brit.	Coke & steel plant	898 144	6 300	n.a.	n.a.	n.a.	4 775	14 514
51.	Hadir	Luxembourg	Steel plant & iron ore mine	864 220	n.a.	n.a.	n.a.	n.a.	9 724	15 130
52.	John Summers	Gt.Brit.	Coke & steel plant	840 232	13 300	n.a.	n.a.	n.a.	14 009	21 081
53.	Neunkirchen	Saar	Coke & steel plant	814 898	8 430	454 316	100 779	22.0		18 695
54.	McLouth Steel	USA	Blast furnace & steel plant	810 000**	3 531	n.a.	n.a.	n.a.	6 097	78 479
55.	Detroit Steel Corp.	USA	Almost fully integ.	805 982	4 744	438 165	119 545	27.3	8 683	48 941
56.	South Durham	Gt.Brit.	Almost fully integ.	800 608	9 500	n.a.	n.a.	n.a.	937	7 714
57.	UCPMI	France	Almost fully integ.	800 000**	8 000	n.a.	n.a.	n.a.	n.a.	
58.	Ilseder Hütte	Germany	Fully integrated	777 992	13 193	341 497	103 330	30.2	9 580	46 487

* Largely alloy steels ** Estimate.

TABULAR SUMMARY OF THE 100 LARGEST STEEL COMPANIES OF THE FREE WORLD - 1 9 5 5

	Company	Country	Corporate Structure	Crude Steel produced (metric tons)	Employment	Sales or Turnover 1000 Sw.fr.	Labor Costs 1000 Sw.fr.	% Labor Costs to Sales	Dividends paid 1000 Sw.fr.	Depreciation 1000 Sw.fr
59.	Alpine	Austria	Fully integrated	769 000	28 330	450 738	123 785	27.5		
60.	Kawasaki	Japan	Steel plant	753 963	15 745	345 916	52 749	15.2		
61.	Voest	Austria	Coke & steel plant & manufacture	752 000	14 841	536 345	70 974	13.2		
62.	Cornigliano	Italy	Coke & steel plant	750 000	n.a.	n.a.	n.a.	n.a.	6 110	16 094
63.	Sollac	France	Coke & steel plant	700 000*	n.a.	n.a.	n.a.	n.a.	n.a.	
64.	Dominion Foundries	Canada	Coke & steel plant	700 000*	n.a.	n.a.	n.a.	n.a.	9 246	56 441
65.	Hoogovens	Holland	Coke & steel plant	679 179	10 517	n.a.	58 688	n.a.	8 311	19 678
66.	Volta Redonda	Brazil	Fully integrated	666 000	14 000c.					
67.	Knutange	France	Fully integrated	663 085	5 500					
68.	Dillinger Hüttenwerke	Saar	Coke & steel plant	662 000	6 940	386 107	64 482	16.7	1 211	11 905
69.	Lukens Steel Corp.	USA	Almost fully integ.	627 267	4 742	341 023	122 456	35.9	2 393	11 481
70.	Alleghany Ludlum Steel	USA	Steel plants	619 784	14 778	1 099 024**	376 155	34.2	18 731	46 705
71.	Alan Wood Steel	USA	Almost fully integ.	604 101	3 605	251 894	84 206	33.4	7 142	18 828
72.	Maximilianshütte	Germany	Almost fully integ.	574 800	7 815					
73.	Salzgitter	Germany	Steel & power plant	570 849	7 977	332 607	49 348	15.7	-0-	64 800
74.	Chiers	France	Steel plant & iron ore mines	569 000	6 000	n.a.	65 517	n.a.	5 251	n.a.
75.	Indian Iron & Steel	India	Fully integrated	536 568		252 174	56 842	22.5	1 239	
76.	Dominion Steel & Coal	Canada	Fully integrated	526 167	20 500	n.a.	n.a.	n.a.	8 944	42 349
77.	Fiat	Italy	Integ. & mfg.	517 549						
78.	Lone Star Steel	USA	Fully integrated	504 670	4 259	320 303	88 509	27.6	-0-	53 244
79.	Falck	Italy	Almost fully integ.	500 000*	15 000*	n.a.	n.a.	n.a.	6 110	16 094
80.	Barium Steel	USA	Steel plant, fabrication & mfg.	472 552	5 700	322 864	99 987	30.1	3 896	7 875
81.	Esperance-Longdoz	Belgium	Coke & steel plant	461 671	n.a.	n.a.	51 875	n.a.	6 349	19 651

* Estimate **Largely alloy steels

TABULAR SUMMARY OF THE 100 LARGEST STEEL COMPANIES OF THE FREE WORLD - 1 9 5 5

	Company	Country	Corporate Structure	Crude Steel produced (metric tons)	Employment	Sales or Turnover 1000 Sw.fr.	Labor Costs 1000 Sw.fr.	% Labor Costs to Sales	Dividends paid 1000 Sw.fr.	Depreciation 1000 Sw.fr.
82.	Northwestern Steel & Wire	USA	Steel plant & fab.	455 808	2 677	221 035	64 127	29.0	1 758	5 336
83.	Lancaster Steel	Great Britain	Coke & steel plant fabrication & mfg.	437 000	8 500	n.a.	n.a.	n.a.	9 217	6 428
84.	Newport Steel	USA	Steel plant	435 483	2 230	158 730	45 079	28.4	-0-	2 957
85.	Normandie	France	Steel plant & iron ore mine	431 000	5 000	n.a.	n.a.	n.a.	5 247	28 486
86.	Laclede Steel Corp.	USA	Steel plant	429 740	3 470	250 223	79 769	31.9	5 321	6 976
87.	Clabecq	Belgium	Coke & steel plant	428 178	n.a.	n.a.	n.a.	n.a.	10 495	n.a.
88.	Chatillon, Commentry	France	Almost fully integ.	425 000*						
89.	Ruhrstahl	Germany	Coke & steel plant & foundry	421 200	9 978	294 854	70 972	24.1	2 156	42 021
90.	Rodange	Lux.bg	Steel plant	405 190	n.a.	n.a.	n.a.	n.a.	2 624	7 134
91.	Boel	Belgium	Coke & steel plant	400 000*						
92.	Keystone Steel & Wire	USA	Steel & wire plant	377 470	2 700	242 382	n.a.	n.a.	n.a.	n.a.
93.	Niederrheinsche Hütte	Germany	Steel & wire plant	359 900	3 693	279 028	30 241	10.8	2 586	18 764
94.	Siegerland	Germany	Steel plant	354 072	9 150					
95.	Dalmine	Italy	Steel plant	352 959	9 640	395 389	78 335	19.8	15 115	10 909
96.	Kobe Steel	Japan	Steel plant	350 000*	8 386	279 237	27 699	10.1	5 249	
97.	Continental Steel Corp.	USA	Steel plant	348 703	2 735	193 513	61 404	31.2	6 468	5 752
98.	Thy-le Château	Belgium	Coke & steel plant	307 019	2 500	n.a.	n.a.	n.a.	4 723	9 488
99.	Norrbottens	Sweden	Coke & steel plant	300 342	2 221		23 093			
100.	Pacifico	Chile	Coke & steel plant	289 755	6 000					

* Estimate

The 100 Largest Steel Companies of the Free World

Introduction

The typical picture that evolves from an international study of steel is one of monopoly, or, more accurately, oligopoly: in the United States, by a small group of mutually independent giant corporations; on the continent of Europe, by small groups of individuals or families or management teams with astounding ramifications that pass over frontier and language barriers; and, in most other steel producing countries, especially the smaller ones, by a single company.

Most of the free world's steel is produced by large units. The 100 largest companies accounted for at least 85% of the free world's total in 1955. The 8 largest steel producing companies are all in the USA. The 9th largest is a concern in the Grand Duchy of Luxembourg, which, however, has vast international interests. The 10th largest is British. The number 11 steel company is in Germany, but it is 40% owned by a Dutch steel company. The 12th is also German. The 13th is Japanese, the 14th British, the 15th Belgian and the 16th French. The largest Canadian company ranks 18th; the largest Italian 33rd; the largest South African 35th; the largest Australian 37th, and the largest Saar 44th.

47 had a crude steel production of more than a million metric tons each in 1955.

On the list of the 100 largest are 27 in the United States, 15 German, 10 British, 10 French, 7 Belgian, 5 Italian, 5 Japanese, 4 Canadian, 3 Luxembourg, 3 Saar, 2 Austrian, 2 Australian, 2 Indian, 1 Dutch, 1 Swedish, 1 South African, 1 Chilean and 1 Brazilian. Each company produced more than 300,000 metric tons in 1955.

The biggest contrast in intra-country sizes was in the United States, where the largest corporation produced 100 times the steel of the smallest USA firm on the list. It also had approximately 100 times the employees, and made just about 100 times the profits in 1955.

Except insofar as it is prevented by nationalization of coal mines, most of these 100 largest steel companies control directly or indirectly their own sources of raw materials. 14 of the 27 USA companies on the list own both iron ore and coal mines. 3* of the 15 German companies own sources of both raw materials. In Great Britain and France** the coal mines have been nationalized. There is comparatively little good quality coal in Italy. There is no coal in Luxembourg, but the largest company there has its own mines in Germany, and a second company is part of a Belgian steel trust with its own coal mine in Belgium; and of course both of these Luxembourg companies have their own iron ore practically adjacent to their steel works.

International Competition and Costs

Steel is an article of international trade and the individual steel producers of the free world are more or less in competition with one another. Sales advertizing in the Wall Street Journal is a common thing for a number of the German companies on this list. Japanese advertize in the Financial Times of London. One American company boasts of the size of its foreign representation, and another has a full-fledged subsidiary exclusively for export business. The 8th largest steel company in the free world exports practically all of its production.

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* Actually several additional German companies have both iron ore and coal mines but, although 100% owned, the mining subsidiaries are not included in the corporate form studied in this report. Examples would be Salzgitter or Rheinhausen.

** A French syndicate Sidéchar has procured control of the Harpener mine in Germany from Flick and thereby gets about 27% of its coal production and 60% of its coke.

This is not to say that competition on the international scale is unrestricted. A common market has been established for the Schuman Plan countries and within this six-country area (seven if the Saar is counted separately) there are relatively few hindrances to trade in steel. Outside of this, however, many cartel-like arrangements still persist. One of the most important of these is the Brussels Agreement, which is concerned with export prices, but not quotas.

The area of competition is also limited by cost factors. In addition to the wide variation in the cost of raw materials, due to the fickleness of nature in bestowing her gifts of coal and iron ore, there are great differences in taxes, freight charges, availability and price of power, and the like. Furthermore, the European companies especially are burdened with an inheritance of obsolete equipment, which has not always been abandoned with the installation of modern machinery.

It is the conclusion of this study that, for the countries outside of the United States, Canada, and to a partial extent Great Britain, most of the free world's steel producers have balanced out their natural and technical disadvantages at the expense of their employes and the state. They have done this by means of a low wage and high depreciation policy. They justify low wages in part by low productivity. But high depreciation charges have been used to modernize and expand their plants, with the result that more and more of the newest and most efficient equipment is being operated by workers being paid at only little more than obsolete mill rates. In fact, there are several European companies which have purchased whole American rolling mills shipped from the United States. These continuous strip mills require practically the same manning tables and jobs as similar operations in the United States. Yet the wages are only a fraction of those paid in the USA. Other companies have exchange of information agreements with American firms, which lead to the most efficient operating practices. In fact, teams of workers are being exchanged. But, though productivity is reaching up to American standards, wages remain at old-world levels.

Furthermore, as the following paragraphs will show, productivity affects employment. In the USA, where high productivity has been immediately translated into high wages, and high wages have meant increased demand for goods, the losses in employment which would otherwise have come about as a result of rising productivity have generally been compensated by increased production. So jobs have kept pace, and even advanced (except in relation to 1953.)

There is as yet no convincing proof that this will be the case in Europe.

So much higher are American wages than on the continent of Europe that, in spite of far greater productivity, American labor costs per ton are nevertheless higher than European. Thus, should present wage policies continue, rising European productivity will create even greater cost distortions, and the danger of technological unemployment or redundancy will become more real.

A Rough Comparison of Productivity

Precise international comparisons of productivity are difficult to make because of statistical shortcomings and differences in operational concepts of the steel industry. It is possible, nevertheless, to work out useful relationships provided the extent to which they can be applied is clearly understood.

The American Iron and Steel Institute publishes production figures, total hours worked and total wages for what it describes as blast furnaces, steel works and rolling mills. Of course many of the reporting companies also employ workers in other fields, often within the same plant. The Wirtschaftsvereinigung Eisen und Stahl (the Iron and Steel Institute for Germany) also gathers figures of similar enterprises, omitting extraneous employes of the steel companies. But the American plant generally begins its operations at an earlier stage and carries it on further in finishing and processing. The Vereinigung does not list total hours, but it does give total employment, including all on the payrolls, whether present or not, and it also gives the

average hours worked per month on the same basis, plus the total wages. Hence it is possible to calculate a rough comparison of productivity levels.

Great Britain can be added, but only on a limited basis. There, the Ministry of Labour furnishes employment figures and average hours worked per week. It is thus possible to estimate total hours per month, though not with the desired accuracy. Monthly production is available. So there too an estimate of productivity can be made, though it must be regarded with reserve. (Table I).

The European Coal and Steel Community publishes data on production, employment, average monthly hours and average monthly direct wages, all on a uniform basis for the six member countries, plus the Saar. This information applies only to that part of the steel industries' activities encompassed by the Treaty of the Schuman Plan. Unfortunately for our statistical purposes, the Treaty definition of the steel industry is very considerably narrower than the American Institute's reference points, and much narrower than that of the German. It starts with blast furnaces (coke works belong to coal) and stops short of many rolled products - tubes, for example, are excluded. Thus a direct comparison on the basis of American Iron and Steel Institute and Schuman Plan data cannot be made. But we can first build up the three country comparison - US, Germany and Great Britain, and then work out the productivity levels in the Schuman Plan countries separately. Germany, being in both, will be a sort of nexus (Table II).

Direct wages or earnings alone do not accurately reflect employment costs, because of the varying monetary importance of fringe benefits in the several countries. The Schuman Plan has made a study of labour costs by component elements in 1955. Thus a quick conversion can be made from total direct wages to total employment costs.

Comparisons were made on a monthly basis, and for the month of October 195 in particular, because more information is available for that period and because that was a good full employment, high production month.

All national currencies have been converted into Swiss francs at the legal rate of exchange. Differences in purchasing power have thus not been taken into account. It should also be understood that some countries like Luxembourg produce primarily (or almost entirely) Thomas converter steel, while other countries, like Great Britain or the USA, produce primarily open hearth steel. These differences, however, do not materially affect the averages, for these comparisons are not of the melt shop alone, but include a vast number of other processes as well.

TABLE I

Country	Crude Steel Production Oct. 1955	Production & Maintenance Employment Oct. 1955	Production & Maintenance Total Hrs Wkd Oct. 1955	Prod. & Maint. Hrs per ton Crude Steel Oct. 1955	Total Production & Maintenance Wages **** Oct. 1955 $ (Swiss francs)	Prod. & Maint. Wages per Ton Crude Steel **** Oct. 1955 $ (Swiss francs)
USA*	9,526,395	565,447	95,602,760	10.0 hrs	$256,341,400 (1,102,268,020)	$26.90 (115.67)
Western Germany**	1,899,040	271,077	54,486,477	28.7 hrs	$29,285,710 (128,061,500)	$15.42 (67.43)
Great Britain	1,624,000	246,798	52,444,575***	32.3 hrs	n.a.	n.a.

* The AISI reports employment data for 96.2% of the blast furnace capacity and 94.9% of the steelworking capacity, with a weighted average of 95.0%. On this basis, totals were worked out for the whole industry.

** In another set of statistics, based on "Blast furnace, steel works, hot rolling mills, presses and hammer works" put out by the Statistisches Bundesamt, "Wirtschaft und Statistik", April 1956, page 182, the total employment figure for October 1955 is given as 228,700.

*** Multiplied employment by 48 hours per week, i.e. 212.5 hours per month.

**** For Germany this includes costs of all fringe benefits, whereas in the United States only vacation costs are included. But the other fringe benefits in the USA cost an additional 8.5%. If we take this into account, the Production and Maintenance Wages per Ton of Crude Steel for the USA become $29.20 or 125.56 Swiss francs.

TABLE II - THE SCHUMAN PLAN COUNTRIES

Country	Crude Steel Production Oct. 1955	Prod. & Maint. Employment Oct. 1955	Prod. & Maint. Total hours wkd. Oct. 1955	Prod. & Maint. Hours per ton Crude Steel Oct. 1955	Total Prod. & Maint. Direct Wages Swiss francs Oct. 1955	Prod. & Maint. Direct Wages per Ton Crude Steel Swiss francs Oct. 1955
Germany	1,899,000	151,716	32,998,230	17.38 hrs	80,736,852	42.52
France	1,097,000	121,646	24,776,126	22.58 "	60,055,010	54.74
Belgium	506,000	49,410	9,773,298	19.31 "	28,120,850	55.57
Saar	285,000	26,081	5,443,105	19.10 "	14,471,420	50.78
Italy	489,000	53,956	10,866,738	22.22 "	19,678,416	40.24
Luxembourg	291,000	17,491	3,667,863	12.60 "	11,977,850	41.16
Netherlands	93,000	6,953	1,213,994	13.05 "	2,500,617	26.89

Country	Percentage direct hourly wages to total labour costs (1955)	Total labor costs derived from these percentages Swiss francs	Total labor costs per ton of crude steel Swiss francs
Germany	67.34	119,894,340	63.14
France	61.30	97,969,020	89.31
Belgium	75.60	37,196,890	73.51
Saar	65.18	22,202,230	77.90
Italy	60.02	32,786,430	67.05
Luxembourg	71.47	16,759,260	57.59
Netherlands	63.19	3,957,298	42.55

It must be kept in mind that total hours relate not only to the production of crude steel, but to the processing of that steel as well. And since the German steel institute carries its statistics a few steps further than does the Schuman Plan, man-hours would naturally be longer than under the Schuman Plan basis of measurement. And that is the case.

Company Reporting Practices

One of the most striking findings of this comparison is the wide disparity in company reporting practices, not only as among the different countries, but even within individual countries. With the exception of the United States, where comparatively adequate financial disclosure is considered good public relations; to a lesser extent Germany, where allied occupation regulations were in part voluntarily continued under sovereignty and where co-determination contributed to more enlightenment; and Great Britain, where a number of the largest companies are public spirited in such matters; most of the leading steel companies consider their financial operations and activities as top secrets to be withheld from their shareholders, their employees, the public and apparently, if possible, from the tax collector.

In the steel industry of the entire free world outside of the United States, one could count on the fingers of one hand the companies that issued profit and loss statements which told a rounded story: that is, how much money came in, how it was used by major elements, and how the profit or loss was derived. The German companies most nearly approached this minimum standard of accounting ethics, but all of them omitted materials costs. Not a single company in Belgium, Luxembourg ~~or Italy~~ reported on sales or turnover. The French reports, with a few notable exceptions, gave practically nothing whatever here except the "profits."

So deficient, so lacking in rudimentary information, so blown up with banalities is the average annual report on the European continent (except for Germany and a companies in France), that one wonders how any reasonable person could have been interested in investing his money in steel shares. On the basis of the facts disclosed, it is impossible to ascertain independently whether the company is profitable or is actually operating at a loss. One can only take the directors' word for it. Investment under such circumstances is pure speculation. The directors are obviously concerned about the threadbare appearance of such a report, so they seek to make it appear more impressive than it really is. One device is to insert a homily on the evils of the times. Another diversion is to report on the national steel industry rather than their own company operations. A third is to harp on some single relatively unimportant item such as contributions to the European Coal and Steel Community.

Bad as these practices are from the standpoint of the shareholders and the general public, they are doubly dangerous and inexcusable from the standpoint of labor.

How can reasonable collective bargaining negotiations be carried out in the absence of the most elementary factual information? Wages, both direct and indirect, are a cost of doing business. How can the union decide what is fair to demand or to accept if it cannot even know what it costs? How can the unions be sure their program is not more than the companies can bear; or conversely, how can they be sure their members are not being outrageously exploited? Under present conditions, collective bargaining is a sort of blind man's buff. That strikes have been so infrequent is a tribute to the unions' moderation.

What makes this secretiveness all the more unjustifiable is that in several countries there is at least one major steel company that is progressive enough to report on, for example, sales or turnover and labor costs. One of the clearest presentations, based on one of the most exhaustive coverages, is made in a French report, which unfortunately is not included in this listing, because its steel production falls short of the 300,000 tons minimum. Employment costs for this company represent 32% of the total, easily one of the

highest figures in Europe and indeed, average for the USA. Perhaps this partly explains this company's willingness, even eagerness, to divulge its records, in comparison with the secretiveness of most of its competitors. If some of the companies feel no need for secretiveness of such matters, why should the others persist in such unwarranted concealment?

Collective bargaining, especially in a basic industry like steel, cannot be carried on in a vacuum. The union has a responsibility not only to its membership to reach an equitable settlement as far as their needs are concerned; it also has a responsibility to the employers, i.e. the companies, and the general public. The union has as its objective the optimum rather than the maximum benefits. There is no sense in collective bargaining which drives a company out of business or which ricochets on the general economy.

To avoid this, facts must be made available. Obviously no alert union is going to believe the dire warnings of an employer who will not even permit the union to estimate what impact a given wage increase would have on his business.

As indicated above, the American steel companies issue the most adequate financial reports. The United Steelworkers of America Research Department submits these to comprehensive examination and these individual studies serve as the factual basis for the union's collective bargaining terms. Annex I is such a study made of the United States Steel Corporation for this year's collective bargaining negotiations. As a result, the union was as well prepared as the company. As can be seen, the facts are all there. The union need have no doubt as to the justifiability of its demands. It could make a reasonable figure-packed argument on (1) ability to pay; (2) gains in labor productivity; (3) labor's share in the sales or turnover compared with the share of material costs, taxes, depreciation, debt charges, profits, etc.

At the beginning of collective bargaining negotiations, the United States Steel Corporation, together with several of the other leading companies, made a wage offer which they described as "wonderful." In fact, it even made quite an impression on many people. But the union, as a result of its studies of the individual financial statements, knew that the offer was inadequate. The union also knew that a firm stand and a little sacrifice could and most likely would bring about substantial gains. The union knew it was not asking for the impossible. The ensuing strike lasted over a month, but so much better is the final settlement than the last offer prior to the walkout that strike losses will be made up in extra pay long before the expiration date of the agreement. The union knew its demands were reasonable in the light of the employers' ability to pay. The all-out odds were, therefore, that the employers would not be adamant for too long, which turned out to be the case.

A writer in the Financial Times of London has said: "In America on the other hand the wage struggle is conducted with the planned precision of a military campaign by the unions, each move being backed by precise calculations of the capacity of either side to resist a strike or lock-out. And almost every university has its campus Clausewitz to rationalize and philosophize on the manoeuvres and stratagems of the struggle." While this is somewhat whimsical, it nevertheless does make a basic point.

The European Coal and Steel Community

A word should be said about the European Coal and Steel Community, the formal title of the organisation created by the Schuman Plan.

As this matter was first projected, the affected parties chose sides on the basis of high policy, self-interest, quid pro quo, of hopes and of fears. Some saw it as the first step towards the unification of Europe; others, short of one or another raw material, or closed out of markets, looked upon it as a solution to their problem. Still others, suffering under residual restrictions or controls of the occupation, were willing to accept it as the price for their release. A few were against it, because they did not understand it, or because it was a new idea conceived by someone else. But more sincerely opposed it because they believed it was a kind of hidden super cartel. And this idea was in fact, unwittingly for the most part, disseminated by a press which spoke of "welding together the coal and steel industries of the founder nations."

Although all free European countries were invited to join, only six did so. Great Britain stayed out, primarily for Commonwealth reasons, but also out of a keen memory of continental steel dumping during the depression. Furthermore, recovery was not yet complete in Great Britain, and it was felt that control of so large and important an industry could not be let out of domestic hands. Sweden followed Great Britain. Besides, it had little to gain. Its steel industry was small, its coal virtually non-existent, and its iron ore highly prized and sought after. Austria was still in part under Russian occupation. And the steel and coal industries of the remaining free European countries are relatively small.

The basic idea was to establish a common market; that is, to abolish barriers to trade in steel, coal, iron ore and scrap. These barriers turned out to be formidable and complex. Not only tariffs and contingents and currency restrictions and subsidies and similar obvious forms of protection against foreign competition, but hidden discriminations such as freight rate hikes at border crossings had to be removed if a real common market was to be established.

The measures taken to achieve this purpose had the effect of diminishing the threat of cartelization. True, the merger movement continued under the Schuman Plan, and perhaps had even been speeded up prior to the assumption of powers by the High Authority. But this was really a long-term trend toward monopoly, or rather oligopoly: the evils of vicious cartelization, such as were felt in the chemicals industry prior to World War II were effectively warded off, in all probability for as long as the Schuman Plan retains its present character and institutions. Cartelization with respect to exports to non-member countries - the so-called third countries - was, however, again strengthened with respect to prices, but not quotas, and is of course not subject to Schuman Plan control.

Labor is strongly, though variously, represented in the different organs of the Schuman Plan. Two of the nine members of the High Authority have been appointed on the nomination of labor organizations, and both have records of sincere and even brilliant service in the labor movement. Both, without straining the spirit of the treaty, have maintained close contact with their former associates. Then, too, the High Authority has a number of staff people, several right up to the top, who come from the ranks of labor. And among these too are men of outstanding ability and devotion. The Consultative Committee, whose opinion must be requested before the High Authority makes a decision on important matters, consists of one-third union, one-third producer and one-third consuming industry representatives, or 51 members in all. A metalworker union man from Belgium has served with distinction as its President. The Common Assembly also contains union persons who are at the same time members of parliament in the several member countries. A union man sits in the High Court and, finally, the interested unions have created a Liaison Office at Luxembourg, staffed by two competent union experts and a full-time general secretary, who has much experience in representing his union on Schuman Plan amatters.

The possibilities for effective labor participation are therefore enormous. And it should be mentioned that here is one international organization armed with real power, that has effectively prevented Communist infiltration. So far as is known, there are no Communists at any level of the Schuman Plan, and certainly not among the union representatives. All this means that business can be despatched in an orderly and factual manner.

The European Coal and Steel Community is financed by a tax of 0.45% of sales of the specific materials coming under the treaty.

The Community is really a single industry sector foretaste of a united Europe. This can be seen in the practical as well as in the less tangible results.

The first effect of a common market is of course the increase of trade among the participating countries. And this has happened to as astonishing degree. Between 1952, when the Schuman Plan organisation was set up, and the first quarter of 1955, exchanges of steel products within the Community rose from an index of 100 to 251. For scrap, the rise was to 457, while the trade in non-Schuman Plan products increased to only 159. There was, however, an even smaller increase in trade of coal and iron ore, for the reason that these raw materials are not as elastic as the others.

Prices, too, in steel products within the Community had fallen from an index of 100 in 1952 to an average of 73.3 by the first quarter of 1955. For scrap, the drop was to 68.6; for coal and coke to 91.8, and for iron ore to 90.3. For all non-Schuman Plan products, the drop was to only 89.

Transportation charges have also been reduced. For example, railroad freight charges for coke between Gelsenkirchen and Homécourt are now 29% lower than they were before the opening of the common market, and the cost of transporting iron ore from France to Belgium has been reduced by 27%.

The common market meant a start toward harmonisation, and harmonisation meant more rapid improvement for the less advanced countries. Thus, Italy has been able to show the best results under the Schuman Plan. Its consumption of steel, for instance, has increased to an index of 144 from 100 in 1952, compared with an average increase in other Schuman Plan countries to 128.

It is still too early to draw a final balance, but these are good indications of the trend.

In the labor field, coordination under the Committee of Twenty-One has had several important successes, especially in the reduction of hours of work without loss of pay. And it is significant that, of the first $100,000,000 loan from the USA to the Community as such, 25% was set aside for miners' housing.

Company Comparisons

Summary

Before going into an examination of the specific individual factors on a country average basis, it will be of interest to look at individual companies of roughly similar corporate structure and production, but of different nationality. This can best be done from the tabular listing which introduces this survey, or, for some tables, in the home country sections.

The most striking contrasts are, as expected, to be found between USA companies and those of the rest of the world. American employment, with rare exceptions, is smaller for the same production, even though corporate structure may be more extensive - that is, more operational facilities, such as coal mines or fabrication plants are included. Sales or turnover would not be very different, except of course in the case of quality steels. But the American labor costs would be much higher, and this would also be true of the percentage of labor costs to sales or turnover. Net Profits would also be higher, but, as will be more fully explained in the paragraphs on depreciation, this is deceptive. But dividends would be sometimes lower, sometimes higher, with reinvested profits generally higher. And the ratio of dividends to reinvested profits would be lower, that is, a greater share of profits, upon which taxes have already been paid, are plowed back into the business. American depreciation, with a few exceptions, would be generally lower, particularly as a percentage of sales, or as a ratio of labor costs.

The picture is not complete. The tax liability is not clear, and no comparisons are possible on materials costs. Although the majority of American companies report on materials costs, not one company out of 25 does so elsewhere. Differences in steel prices cannot account for any substantial disparity. Indeed, some European prices are higher - see appendix II, for raw materials and steel products price comparison.

But how does it come that in Europe and elsewhere the owner share - as the sum of net profits and depreciation - is usually higher, and the labor share, even with greater employment, is almost always lower than in the USA? The answer is that most of these companies have made up for their disadvantages or deficiencies at the cost of their employees.

If a business is for any reason inefficient, even for reasons which have nothing to do with managerial ability, then one would expect that the return on the investment would be lower. One may wonder what would have been the case today in the USA were there no powerful - and militant - unions there. Another problem for labor in the USA was similar to that in Europe, namely, to keep pace with development, and even make real gains in a period of rapid change after a war. The American employers were no more altruistic towards their employees than were their European colleagues - indeed, considering the welfare, but not the wage, program of some European companies, one may rather assume the opposite to be the case. It is no accident that American labor did not suffer during the inflationary period. Union action and union action alone accounts for the record.

Extensive expansion and modernization programs have been under way in practically all countries. This is obvious from the increase of production since the war. Germany, however, had in addition the problem of reconstruction. Not only did she suffer the most war damage, but her best equipment was dismantled during the occupation. Since she has made the most phenomenal recovery, she therefore now has among the most modern plant. This was made possible not only by means of special government aids and allowances, like accelerated depreciation, but also - as is clear from the figures - by a restricted wage policy.

COUNTRY COMPARISONS

Productive Facilities. This refers to all of the operations encompassed in the corporation as studied. If the company is a fully integrated one with its own sources of raw materials such as coal and iron ore, or if the company also has fabrication or other ancillary plants or operations and if these are all covered in a consolidated report, then all these operations are included in the individual company analysis. This is the case with practically all of the larger companies in the United States and most of Europe with the exception of Germany. In Germany there is a special problem because, although a consolidated report including all subsidiaries is usually available, the report often omits data basic to this study, whereas such data is to be had for the steel operating subsidiary. A second reason for not always making use of the consolidated report in the case of Germany will be explained below in the sections dealing with employment and labor costs.

Great Britain and France have nationalized their coal industries and therefore companies in these two countries do not possess their own sources of coal. In the case of France, however, other arrangements have been made either by outright purchase of a foreign coal mine or through interlocking ownership with foreign companies.

Crude Steel Production. The figures have all been translated into metric tons. Following is a table showing the number of companies with a 1955 production of more than one million tons :

U.S.A.	14	Belgium	3	Australia	2
Germany	9	Italy	1	India	1
Great Britain	6	Canada	1	S. Africa	1
France	4	Luxembourg	1		
Japan	3	Saar	1		

Following is a table showing the percentage of the total national steel production accounted for by one, two, three, and five companies in 1955 :

Country	Total Steel Production	Total Steel Production of : 1 company %	2 companies %	3 companies %	5 companies %
U.S.A.	106,175,131	30.2	46.2	54.5	65.0
Germany	21,336,000	12.5	23.5	32.4	48.2
Great Britain	20,108,000	12.9	22.8	32.1	50.0
France	12,592,000	15.4	28.4	40.9	59.0
Japan	9,408,000	22.1	40.2	51.4	62.6
Belgium	5,892,000	33.5	51.0	61.7	76.5
Italy	5,395,000	24.8	38.7	48.3	64.1
Canada	4,082,055	45.8	67.8	84.9	
Luxembourg	3,225,000	60.6	87.4	100.0	
Saar	3,165,000	31.6	57.3	80.7	
Australia	2,232,000	100,0 (one company is a subsidiary of the other)			
Sweden	2,149,000	14.0			
Austria	1,826,000	42.1	83.3	91.3	
India	1,728,000	61.1	92.2		
South Africa	1,584,000	81.3			
Brazil	1,166,400	57.7			
Holland	973,200	69.8			
Chile	310,000	93.4			

Steel Products Shipped. No worthwhile comparisons are possible here because so few companies report on this.

Number of Employees. This refers always to the corporate form described under Productive Facilities. Care should be taken therefore in comparing the employment of different companies in different countries. In the case of Germany, coal mines have for the most part not been included. One reason has been set forth above. Another reason is that in Germany the coal mining operations require an inordinate number of employees in proportion to the employment of the steel mills where that coal will be used. This creates a distortion in comparing steel companies. The German firm Ilseder Hütte with a production in 1955 of 778,000 tons had a total employment of 13,193, but of these 255 were employed in the limestone quarries, 2,130 in iron ore mines and 5,286 in the coal mines, and 47 in the Holding Company, leaving only 5,475 for steel and all other ancillary operations. Now compare this with the American company Detroit Steel Corp. which produced 806,000 tons or only some 30,000 tons more than Ilseder Hütte. Detroit Steel has in addition to its steel mills its own coal mines. Yet its total employment including miners was only 4,744, or less than Ilseder Hütte had in her coal mines alone.

Number of Shareholders. So few companies consistently report on this item that no worthwhile comparisons are possible.

A number of companies, particularly in Germany, are owned by single individuals or families. The state too there owns one steel mill and a quarter share in another steel company. In Great Britain 2 companies have not yet been fully restored to private ownership. Both large steel companies in Austria are owned by the state and the largest steel company in Sweden is state owned.

Largest Shareholding. On this point information from the United States is among the most deficient. The law requires that the members of the board of directors report on their holdings and stock shares transactions but there is no compulsion to disclose other stock share holdings. Stock shares are widely held in the United States and the companies like to emphasize this point. A large proportion of shares is held in the name of brokers and mutual funds. It is unusual for a single individual alone to possess a controlling interest among the larger companies.

In Germany many shares are held in the name of banks. Aside from those companies which are completely owned by a single individual or family, there are several in which majority or controlling interest lies in the hands of an individual or a family. The same is true with respect to Belgium, France, and Luxembourg. It has not been possible to gather authentic information concerning Great Britain.

Sales or Gross Revenues. This in Great Britain is generally refered to as turnover. As used here it means not only the revenues from sales of products but all other revenues, income or interests as well. It is the total amount of money which the corporation receives during the course of its total operations.

Considering the differences in product mix, in types of steel and in degree of integration, there is an astounding similarity of gross revenues for different companies in different countries producing approximately the same tonnage of steel. A few basic points, however, should be kept in mind:

1. Companies specializing in alloy steels will have a much higher gross income for the same tonnage than carbon steel companies.
2. On the Continent of Europe the percentage of open hearth or Siemens-Martin steel is much lower than in Great Britain or the United States and, of course, Siemens-Martin steel normally commands a higher price than Thomas Converter steel.
3. Gross revenues include income from subsidiaries not engaged in steel making proper. Thus companies which have extensive fabrication or manufacturing operations show disproportions in gross revenues for given amounts of steel produced. In order to avoid this as much as possible those companies, which are not primarily engaged in the steel trade but which produce steel only for their own use, have not been included in this survey, even though such companies might have otherwise been among the 100 largest steel companies of the world.

Labor Costs. This includes not only total wages and salaries but also all other payments made for the benefit of labor. Thus social insurance, pensions, paid holidays, paid vacations and so forth would be included. In Germany, however, the concept is carried somewhat further and the cost of labor recruitment, workmen's compensation or industrial accident insurance and the like is also included. Workers' housing in Germany, however, comes under depreciation whereas in France workers' housing would be included in labor costs. In France too certain taxes formerly paid by workers but now paid by companies on behalf of their employees are included as labor costs.

It should be kept in mind that this figure includes all facilities or operations enumerated for the given companies. Care should be exercised in comparing a fully integrated company with one that has no sources of raw materials, even though the tonnage and sales or turnover are approximately the same.

The average non-American steel company has a considerably larger employment for the same steel production (even excluding such distortions as may be caused by subsidiary coal mines as might be included in a corporate study) than its American competitor. As will be clear from the tables, the non-American companies have very very much lower labor costs for the same steel production even though the labor force is very much higher.

Percentage Labor Costs to Sales. This shows the return to labor. Again it should be borne in mind that there are distortions caused particularly by the inclusion of non-steel making operations in all countries but to varying degrees, and that in Germany particularly these distortions become very great because of low productivity in the coal mines.

This percentage is, of course, very important in considering the impact of a wage increase, for, if, for example, a company pays only 20% to the account of labor, then a 10% increase in wages means only something above 2% increase in costs.

Practically all companies in Germany and the U.S.A. provide the basic information, viz. gross revenues and labor costs upon which such a percentage can be calculated. Several British and French, and companies in a few other countries do likewise. Following is a list of the weighted national averages based upon available information:

U.S.A.	34.6%	Italy (1 small co. only)	19.8%
Germany	18.2%	Canada (largest co. only)	27.0%
Great Britain	20.3%	Saar	19.7%
France	22.1%	Austria	19.7%
		India	27.5%

Materials Costs. Except for the American companies and half a dozen elsewhere, none of the companies report on this item which undoubtedly is or would be the largest item on the profit and loss statement. For the United States materials costs run around 40% and in the three cases of Great Britain where information is available, the materials costs represent 55.1%, 59.2% and 67.7% of sales or turnover. And for a large French steel company which nevertheless is not on this list because it produced less than 300,000 tons per year, the materials costs were 47.1% of total sales and 38% for 1 Italian company.

Net Profits. For a large proportion of the companies under survey, "profits" is an 'a priori' or Protean concept to be adjusted in accordance with conditions or purposes that have little to do with the accountants' concept of the word. The profit figure is derived more from preconceived notions than from sound accounting practices. Among those companies where the "profit and loss" statement is really nothing more than a few notations giving no real information from which one can visualize the success or failure of the enterprise - and this is true of the majority in Europe - there is no way of checking on the validity of the "profits" figure. It is often fixed after giving consideration to possible tax claims. One may be properly suspicious of a net profits figure which, in the case of a company doing a business in excess of a billion D Marks, turns out to be exactly and precisely equal to 7% to the last decimal point of the invested capital, and was accordingly so paid out in dividends. This is really an amazing performance when one considers that the company not only reports the D-Marks but also the Pfennige, that is the 1/100th part of a D Mark. Yet the net profits amount came out right up to the required Pfennig.

But there is another more legitimate influence which renders comparisons of "profits" as such meaningless. Enterprises are entitled under accounting theory and tax laws not only to earn a "profit" on their operations, but also to set aside enough money to write off the cost of the establishment. This amortization or depreciation is intended to keep the business in permanent self-renewal. Now, with changing price structures and government economic-political policies, the notion of depreciation has undergone several modifications. The government, to encourage vital industries, may permit an accelerated or special depreciation rate. This, of course, shows up in the profit and loss statement in a threefold manner. Firstly, depreciation is greater than it would otherwise normally have been; secondly, the net profits figure is reduced, and thirdly, the tax figure is also reduced. It is clear that higher depreciation means lower stated profits before taxes, hence lower stated profits after taxes and lower taxes. The extent to which these taxes will later have to be made up is an open, and in many respects a political question which will be handled differently in the different countries.

Be that as it may, accelerated or special or any other than normal depreciation is a transmigrated (and somewhat altered) form of net profits. In fact, one German company in its financial report describes special depreciation as just that. And, as will be shown in the section "depreciation", these amounts are often many times the nominal figure given for the "net profits".

The money represented by the item "depreciation" is, of course, really reinvested or added to working capital. It therefore increases the value of the firm, and this is reflected in the price of the shares. In certain countries, like the USA, large shareholders may prefer small profits (or dividends) and sizeable appreciation in the value of the shares. The reason for this is that the highest personal income tax on capital gains - such as rises in value of shares when sold - is 25%, compared with a maximum income tax of 91%.

The above description of the effects depreciation has on net profits applies primarily to the United States and Germany. In both countries the steel industries have made extensive use of the accelerated, rapid or special depreciations allowed by the law. In Germany, the practice is fairly uniform to claim special depreciation and then logically set forth the consequences on the profit and loss statement, i.e. the profits are shown much lower than they otherwise would be, even going into net losses. In the United States, on the other hand, most of the larger companies also follow this practice, but a number of the smaller firms included in this list have, in fact, established two profit and loss statements. The first one is to list only normal depreciation together with the normal taxes. But then instead of deriving therefrom a normal net profits figure, the companies would add a special "future tax liability set aside" which as its title indicates will be used to pay the increased taxes which will be due in the future as a result of writing off equipment in a period shorter than its expected life.

This, however, does not give a true picture of what the companies have really done; so in each case they explain that they have actually claimed the full amount of depreciation, both normal and rapid amortization, and that their taxes have been paid on this basis. This, of course, means that their net profits under this system of accounting were considerably lower than their stated net profits. But their stated net profits are certainly the fairer figure and more in line with their previous history before rapid amortization became possible. It should also be pointed out that by including a "future tax liability set aside" they have, in fact, reduced their stated net profits by that amount. Here then is a sort of a compromise between the two extremes. But all that has been said in this section makes comparisons not only onerous but odious.

Percentage Net Profits to Sales. This figure is no legitimate indication of a company's profitability even without the complications of ascertaining what the net profits really are. It is nevertheless not without some interest, although depreciation policies often render it meaningless.

For those countries concerning which relevant information is available the national weighted averages were as follows :

U.S.A.	7.8%
Germany	1.5%
Great Britain	7.4%
France	1.1%
Japan	3.2%
Italy	3.0%
Canada	9.4%
Saar	2.9%
South Africa	18.6%

Ratio Labor Costs to Net Profits. This is a comparison of the return to labor with the gains returned to capital, as given in the profit and loss statements. As will be explained later this is not the full picture because the owners of the business have other means of deriving gains from their investments.

Interest on Debt. This refers only to interest on long-term debt.

Dividends Paid. What has been said above with respect to net profits applies equally well to dividends paid.

Ratio Labor Costs to Dividends. See Labor Costs to Net Profits.

Reinvested Profits. This is what is left of the stated net profits figure after cash dividends have been paid. Accounting practices differ. In the United States and Great Britain the practice is to reinvest a considerable part of the net profits. On the Continent of Europe, especially in Belgium and France, a 5% minimum requirement is considered adequate. It makes a great deal of difference whether self financing is carried out by depreciation or by reinvested profits. Under depreciation no taxes are paid. Under reinvested profits the taxes have already been paid on the money as a part of the net profits. It is true, however, that in 1954 when profits fell below expectations, many American companies continued to pay the same amount of dividends thus reducing for that year their reinvested profits.

It is partly a result of this reluctance of continental European companies to reinvest substantial portions of their net profits that their equipment has not kept pace with American standards.

Ratio Dividends to Reinvested Profits. Following is a table showing by country weighted averages the ratios of dividends to reinvested profits :

U.S.A.	0.6 : 1	Belgium	1.4 : 1	Australia	0.7 : 1
Germany	1.8 : 1	Italy.	9.0 : 1	South Africa	0.2 : 1
Great Britain	0.3 : 1	Canada	0.3 : 1	Holland	34.4 : 1
France	11.2 : 1	Luxembourg	7.1 : 1		
Japan		Saar	1.9 : 1		

Depreciation. As explained in the section on net profits there are several abnormal forms of depreciation. In the United States during the Korean War there was a law passed which provided for rapid amortization of certain facilities for which the appropriate government agency issued a "Certificate of Necessity". In essence, this meant that if the government agreed that certain equipment was necessary for the national defense then the company installing this equipment could write off its total cost in 5 years

instead of during its normal life, say 20 years or so. Since steel is basic to national defense the American steel industry made very considerable use of this possibility. The law has since expired but that equipment which was put into operation under "Certificates of Necessity" continues to be written off, because, for the most part those 5 years have not yet elapsed. Incidentally, rapid amortization has thus had a great effect upon expansion. One American steel company has announced its willingness to build a completely new steel plant in the Southwest only on the condition that the government allow it the privilege of rapid amortization.

As has been explained on the section on net profits, rapid amortization does not always show up in the profit and loss statement but, of course, it always is explained in the annual report. Rapid amortization often amounts to considerably more than normal depreciation.

In Germany there are several kinds of special depreciation. One, the most important, applies only to the steel industry. It is permissible under the "Encouragement of Investment Law" (Investitionshilfe-Gesetz). The reasoning behind this law was that the price of steel was controlled in Germany until 1952 and that therefore the steel companies were not in a position to engage in self financing as they otherwise might have. This law makes up for the restrictions of that period. The steel companies have made abundant use of that opportunity. In several instances depreciation has taken phantastic forms.

A second form of special depreciation is based upon construction of workers' housing. Practically every German financial report contains pictures of large, almost idyllic housing projects. This special depreciation although very much smaller than the former, has provided the workers with homes which they otherwise would not have.

Percentage Depreciation to Sales. The following table shows the percentage of depreciation to sales for those companies on which information was available.:

U.S.A.	5.8%	Italy	6.0%
Germany	9.3%	Canada	6.2%
Great Britain	2.4%	Saar	3.6%
France	8.7%		

Ratio Labor Costs to Depreciation. This is, of course, actually a comparison between the total share going to labor and that part of ownership share which is intended only to maintain the level of the productive facilities. As a rule management has done more than that with its depreciation money. It has expanded and modernized beyond normal levels as a result of the special depreciation laws.

The following table shows the extent to which labor has kept pace with this part of the companies' share. The ratios are on a country average weighted basis :

U.S.A.	6.0 : 1	Belgium	3.8 : 1
Germany	2.0 : 1	Italy	7.2 : 1
Great Britain	8.5 : 1	Canada	4.4 : 1
France	2.3 : 1	Saar	5.4 : 1

Corporation Taxes on Income. Only in a few countries was it possible to clearly distinguish between the various forms of taxation.

Net Worth. Net Worth is the total of invested capital plus the total surplus or reinvested profits. It may be described as the stockholders' equity. It is the difference between assets and liabilities.

It has not always been possible to ascertain Net Worth for European companies because this notion is not prevalent there.

Percentage Profits to Net Worth. This is, in fact, the gains which the companies have made upon their investment. Under present conditions the stock market value of the shares is closer to net worth than it is to the book value. Unfortunately, however, as has been explained above, profits are too often distorted by depreciation practices. It is nevertheless of interest to note country comparisons. They are set forth below on weighted averages :

U.S.A.	13.7%	Belgium	6.3%	Saar	1.4%
Germany	4.5%	Italy	17.4%	Australia	10.9%
Great Britain	13.9%	Canada	13.1%	S. Africa	11.7%
France	2.4%	Luxembourg	4.3%		

Percentage Dividends to Net Worth. Same applies as above. Following is a table showing the weighted national averages :

U.S.A.	5.5%	Belgium	2.8%	Saar	0.9%
Germany		Italy	15.3%*	S Africa	1.8%
Great Britain	3.9%	Canada	3.2%		
France	2.2%	Luxembourg	3.5%		

Long Term Debt. This refers to debt over one year.

Payments to Board of Officers and Board of Directors. In the United States the law requires the companies to make known to their stockholders under certain conditions the salaries of the three highest paid officers. In Germany, the only other country where anything similar exists, the companies report on the total income of their executive board (Vorstand) which normally consists of from 3 to 5 members. It is not possible with certainty to calculate the amounts paid to each man because there is often an unknown amount included as pensions to former management board members or their survivors.

A direct comparison cannot readily be made between these two forms of reporting because it is the practice in Germany to allow many perquisites to executive officers of companies. These take the form of villas and gardens and autos and chauffeurs and the like. Parenthetically it might be added that income taxes for these salary ranges are higher in the United States than in Germany.

In the United States companies must also report on the total payments of all kinds made to the board of officers and the board of directors. These figures are not available in Germany. Instead, companies report on the payments made to the board of directors (Aufsichtsrat) as such. In addition to the fees paid as listed there are other allowances and gifts not reported.

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* one small company only.

A Note on Comparability.

Because of the extent of the tables, and the large number of places where the same or identical kinds of figures or items are treated, it was thought advisable not to clutter up the report with numerous footnotes or textual explanations, but rather to give in one glance in so far as possible, a general survey of the limitations to be kept in mind.

1. It will be noticed that all production figures have been expressed in metric tons. To convert a net ton to a metric ton one multiplies by 0.907185, and to convert a long ton to a metric ton one multiplies by 1.016.

2. National currencies were converted at the legal, or in the case of dollar,, the exchange rate.

3. For the individual companies production figures are given for the particular companies' fiscal year (this normally being the only figure supplied). But there is a variation of fiscal years, even within the same country. Country figures are almost always on a calendar year basis.

4. Where necessary adjustments have been made to provide for comparability. For example, dividends in Great Britain are given on an after individual income tax deduction basis. The company deducts the tax and then adds it to the company's tax liability figure. These after tax dividends have been converted to pre-tax figures as is normal in most other countries. This was done by using the factor $\frac{40}{23}$. The difference was then deducted from the companies' tax liability figure.

5. When "Not Available" or "n.a." appears, it indicates that the information is simply not provided. When a blank occurs, it indicates that either the item is not clearly set forth in the company report, or that the company report itself has not been on hand for study.

6. Wherever possible official sources have been used. For example the United Nations or its Economic Commission for Europe for country steel production. But these have been supplemented from the trade literature when necessary or desirable.

7. Because of the differences in accounting principles and practices it has not always been possible to bring company reports from so many different countries into one mold. Net worth, for example, does not mean the same thing in Great Britain and the U.S.A.; and it is not in common use elsewhere. In each case the terms as applied in this study have been described in the country comparison section which immediately precedes this page.

HOME COUNTRIES OF THE 100 LARGEST STEEL COMPANIES

UNITED STATES

A. The Industry as a Whole.

Total production of crude steel by the entire United States steel industry was 80,114,958 metric tons in 1954 and 106,175,131 metric tons in 1955. The best year's production prior to the end of World War II was 81,321,515 metric tons in 1944. In 1955, 90.0% of the steel produced was open hearth, 2.8% Bessemer, and 7.2% electric. Of the total 1955 production, a single company, the United States Steel Corporation , accounted for 30.2%. The two largest companies together in 1955 produced 46.2% of the total USA steel production. The three largest companies produced 54.5%, and the four largest 59.8%, the five largest 65.0%, and the ten largest 82.0%.

In all, there are 84 companies with 142 steel producing plants in the United States. Some of these companies, however, are not primarily in the steel business. They are also manufacturers who have steel works to serve their own needs. Among these are the Ford Motor Company with a steel capacity of 1,388,000 metric tons per year; International Harvester Co. (a farm equipment producer) with 907,000 metric tons of capacity, Timken Roller Bearing Co. (a roller bearing and specialty mill) with 635,000 metric tons of capacity, the Borg-Warner Corp. (an automobile supply company) with 149,000 metric tons of annual capacity; and American Locomotive Co. with a 93,000 metric tons annual capacity. 48 steel producing plants employ between 2,000 and 5,000 workers each; 13 between 5,000 and 10,000; and 11 over 10,000. The remaining plants all employ under 2,000 workers.

The biggest steel company, the United States Steel Corp., has 19 steel producing plants, the largest of which has a capacity of 6,528,103 metric tons. In this plant a total of more than 26,000 production and maintenance and white collar workers are employed. The smallest United States Steel Corp. steel producing unit produces less than 25,000 metric tons a year. In addition the corporation has some 40 other plants - blast furnaces, rolling mills, etc. - which may properly be considered a part of the basic steel industry.

The second biggest United States steel company, Bethlehem Steel Corp., has a total of 8 steel producing plants, the largest of which has a capacity of 5,624,547 metric tons per year and employs more than 24,000 workers. The smallest Bethlehem steel plant has a capacity of 250,000 tons per year.

There is comparatively little inter-corporate relationship among American steel companies, except that in several instances two or more steel producers may jointly own an iron-ore mine, or a small experimental plant. Sources of raw materials such as iron ore are in some instances, like for example, US Steel's Orinoco Mining Co. in Venezuela, are owned or controlled abroad. And an American company would occasionally help equip a foreign company, like Armco in the case of August Thyssen in Germany, or Kaiser in the case of Tata in India. But there is little other connection with foreign steel production.

No major steel company is entirely or even largely owned by a single individual or a single family. This, however, is a different matter from control; for control can be wielded by persons holding a comparatively small percentage of the total shares.

No steel plant (or iron or coal mine) is today state owned. The steel plants built by the government (and operated by private companies) during the war have since been sold, mostly to their former private operator companies.

There are 13 major producing areas covering practically all parts of the United States. These areas are:

District	Percentage of Total
Chicago	19.87 %
Pittsburgh	18.27 %
Philadelphia	13.40 %
Youngstown	11.08 %
Western	7.06 %
Detroit	5.39 %
Buffalo	5.21 %
Cleveland	4.96 %
Southern	4.15 %
South Ohio River	3.90 %
Wheeling	3.87 %
St. Louis	2.26 %
Northeast	0.58 %

In recent years there has been an increased trend of plant location to consuming areas rather than at source of raw materials. This, however, has been made possible in part by increasing reliance on iron ore from overseas areas, such as Venezuela and North East Canada. The newest American steel plant, the Fairless works of the U.S. Steel Corp., located on tidewater near Philadelphia draws its iron ore from the Orinoco region of Venezuela.

Now that the major part of the rich Masabi ores in Minnesota in the north central part of the United States are rapidly becoming exhausted, several companies are completing beneficiation plants to make the low iron content taconite useful for smelting.

Following is a table showing the main uses to which steel shipments were put:

	Percent of Domestic Shipments	
	1954	1955
Automotive vehicles & parts	19.5%	23.1%
Construction including maintenance & contractors' parts, etc.	19.1%	16.8%
Machinery, industrial equipment & tools, including electrical	8.7%	8.6%
Containers; cans, steel drums, etc.	9.7%	8.3%
Rail transportation	4.0%	4.3%
Household appliances, utensils, cutlery, etc.	2.4%	2.7%
Other domestic & commercial equipment, sporting goods, furniture, toys, etc.	2.9%	2.7%
Ordnance and other military	1.6%	1.1%
Shipbuilding & marine equipment	8.3%	0.8%
All others	23.8%	31.6%
	100.0%	100.0%

American steel is mostly intended for domestic use. In 1955 only 4.2% or 3,583,077 tons of steel were exported. On the other hand somewhat over one million tons of steel mill products were imported.

In a list of the 500 largest - in point of sales - industrial corporations of all kinds in the USA, 25 are in the steel industry. One occupies the 4th place, one the 8th, another the 21st, and the next 2, the 42nd and 43rd places.

B. The 27 Largest USA Steel Companies

All USA companies with a production of over 300,000 metric tons in 1955 are on this list, except those steelworks which produce primarily or in the main for their own use in manufacturing rather than for the steel trade.

Productive Facilities

As a rule, when a steel company owns its own sources of raw materials, its own fabrication plant and the like, then a consolidated report is issued to the shareholders. In spite of the extent of these extra-steel industry operations, this does not distort the costs picture, particularly with respect to matters affecting labor. The reason is that, in order to supply its coal and iron ore needs, even in full, a steel company in the United States does not require relatively large mining establishments. All the companies reporting to the American Iron and Steel Institute, which account for approximately 95% of the industry, in 1955 employed a total of 805,011 persons in all of their operations. Of these, 599,087, or 74.4% were engaged in activities considered within the steel industry proper.

The 14 largest steel companies are more or less fully integrated and possess both their own iron ore and coal mines. Of the next 13 largest steel companies, only 1 possesses its iron ore and coal mine; 2 have iron ore mines only; 1 has a coal mine only; while 9 have neither coal nor iron ore mines. The largest company with neither its own iron ore nor coal mines produced almost one million tons of steel in 1955.

Crude Steel Production

14 companies produced over a million metric tons of steel each. Of these, 6 produced over 5 million metric tons each; and of these, 2 over 15 million each; and of these, 1 over 30 million metric tons. 7 of the companies with a 1955 production of between 348,000 and 628,000 metric tons have no blast furnace of their own and must rely on purchased pig iron.

These 27 companies together produced 99,509,000 metric tons of steel in 1955, or 93.7% of the total USA production. The remaining 6.3% was accounted for by 57 companies.

Number of Employees

One company employs over a quarter of a million men and women; another 145,000; a third 66,000; a fourth 41,000, and a fifth 31,000. 4 others have between 20,000 and 30,000 employes; 4 between 10,000 and 20,000; 3 between 5,000 and 10,000; and 11 less than 5,000. 2 of these companies, with less than 5,000 employes, possess their own coal mines, and 2 others their own iron ore mines and 1 both coal and iron ore mines.

Number of Shareholders

There is a remarkable similarity in numbers between employes and shareholders. For those companies reporting both, there is a total of 731,000 shareholders to 733,000 employes.

Largest Shareholding

Under the law, the members of the boards of directors of stock companies must report on their total shareholdings, and on their acquisitions and sales of shares over regular intervals. Unfortunately, there is no similar requirement for large shareholders who are not directors. In the early years, many of the major steel companies were largely owned by individuals or small groups of men, Andrew Carnegie for example. But with expansion and merger came the era of wide shares distribution. Carnegie sold out his majority interest and, in the successor United States Steel Corporation, as the company itself relates: "No individual stockholder holds as much as three-tenths of one per cent of either the preferred stock or the common stock. The largest holding of both preferred and common stock among other holders is only about one and one-half per cent of

both classes of shares." But one should keep in mind that there are in U.S. Steel over $3\frac{1}{2}$ million preferred shares and over 50 million common shares, representing a total stockholders' equity of over $2\frac{1}{2}$ billion dollars!

Sales or Gross Revenues

One company had a turnover of over 4 billion dollars, or approximately one per cent of the USA's gross national product. This company was the fourth largest industrial firm in point of sales in the country. A second company had a turnover of above 2 billion dollars, and was thus the eighth largest in the USA in point of sales. One other company exceeded one billion dollars turnover and was the twenty-first largest industrial corporation in the land.

Labor Costs and Labor Costs as a Percentage of Sales

Labor costs, although considerably higher in 1955 than in 1954, because of wage rises and increased employment and hours, were nevertheless lower as a percentage of sales. 1954 was a year of recession, with an average of 71% of capacity operations. 1955, on the other hand, was a year of prosperity, with an average of 93% of capacity operations. In the meantime, a vast modernization and expansion program had been under way. The result was an 11% increase in productivity.

On a weighted basis, the average of labor costs as a percentage of sales was 34.6%. The highest percentage was in a company with a score of average-sized plants scattered over almost the entire country. It also has considerable fabrication operations. Here 41.6% of the sales dollar went to the account of labor. This company's closing of its fiscal year in June may in part explain the still high rate. The second highest percentage was recorded by the largest company of them all, the United States Steel Corporation, where there was spent for labor in one form or another 39.4 cents of every sales dollar. Actually the average for all is somewhat higher than given above, because a few companies give only their wage and salaries total, omitting the costs of fringe benefits to employes, such as pensions and social security.

Materials Costs

The weighted average of materials costs (which also of course includes services) equalled 40.6% of sales.

Net Profits

The figure used was that stated by the companies. In a number of cases, particularly among the smaller producers, this figure was different from that used by the companies themselves for income-tax purposes. This resulted from the companies', in their profit and loss statements, having listed normal depreciation, while for tax purposes they took advantage of rapid amortization of emergency facilities on the 5-year write-off basis. The effect of this is that net profits for the current year are larger on the profit and loss statement than they are on the accounting made to the Bureau of Internal Revenue, the government income tax office. Corporation taxes on income are lower on both than they would have been if there had not been any rapid amortization, but these companies try to balance this out by including in their profit and loss statement a provision for future tax liability, which reduces the net profit figure somewhat, but not by as much as would have been the case if the rapid amortization had been included in the profit and loss statement. The question of future tax liability is discussed below under corporation tax on income.

Although all this is a reasonable practice, it does have an effect upon comparability; for most companies include the rapid amortization in their profit and loss statement, thus showing their net profits as lower than would have been the case, had they used the same practice as that outlined above.

Percentage Net Profits to Sales

On a weighted average basis, this is 7.8%.

Ratio Labor Costs to Net Profits

On a weighted basis, this is 4.4 : 1.

Dividends Paid

A number of the companies have paid stock shares dividends in addition to cash. Normally they assign a so-called "fair value" to these shares. This "fair value" has been included, as is the company practice, in the total amount of dividends.

Labor Costs to Dividends

This ratio, on a weighted basis, averaged 11.1 : 1. But companies which had paid stock dividends were not included in this computation.

Reinvested Profits

Normally the difference between net profits and paid out dividends. In the case of companies that also paid dividends in stock shares, only the cash dividends were taken into account.

Dividends to Reinvested Profits

Again considering companies paying only cash dividends, the average weighted ratio of dividends to reinvested profits was 0.6 : 1.

Depreciation

As a rule, the American steel companies listed depreciation on the combined basis of normal depreciation plus rapid amortization. Some, however, as explained above, in effect had two profit and loss statements, one for the stockholders and one for the tax collector. Both were made public, so there was nothing illegal or illegitimate about it. The companies simply expounded two different theories of accounting. The one set up for the tax collector showed depreciation upon a combined basis, i.e., both normal and the specially allowed rapid amortization for defense facilities. But this had the effect of showing a lower profit - the higher the depreciation, the less there is left for net profits - than would have been the case had only normal depreciation been taken. Several companies for various reasons thought this undesirable. Perhaps they thought it would be too difficult to explain - or to have believed - that profits had not really fallen, and that the money was actually there in the till, and that this had served the useful purpose of reducing taxes for the current year, though a future tax liability arose because, if a piece of equipment is amortized in 5 years, instead of, say, 20, then at the end of the 5-year period no further depreciation can be charged on that piece of equipment, and therefore the net profits will appear higher than they really are, and taxes will also be correspondingly higher. At any rate, these companies presented their shareholders with a profit and loss statement showing only normal depreciation - with the rapid amortization claim for tax purposes explained in a footnote. In order not to cause surprise and, later on, distortions, these profit and loss statements for shareholders included a provision for future tax liability arising out of the rapid amortization claimed for tax purposes. In order to be consistent, in this study the depreciation shown in the tables is the total of normal and rapid amortization.

Percentage Depreciation to Sales

The average weighted percentage of depreciation - on a combined basis of normal plus rapid - is 5.8%.

Labor Costs to Depreciation

The ratio of labor costs to depreciation on a weighted basis is 6.0 : 1.

Corporation Taxes on Income

Only federal and state income taxes were taken into account; but future tax liability set asides under rapid amortization were included. Sales taxes, property taxes, social security taxes and the like were excluded.

Net Worth

Usually the company described this as stockholders' equity. As a result of the rather high degree of ploughing back of earnings, or, as expressed inversely above, low ratio of dividends to reinvested profits, the surplus constitutes a very high percentage of total net worth. The total net worth for 25 of the 27 (Newport and Keystone are not available) is $7,446,902,352.

Percentage Profits to Net Worth

On an average weighted basis the net profits constituted 13.7% of net worth.

Percentage Dividends to Net Worth

On an average weighted basis, the dividends constituted 5.5% of net worth. In this case, dividends include that part paid in stock shares, the reason being that here dividends are being compared with the full stockholders' equity (after effect is given to the stock share dividend). In the earlier case, dividends were being compared with another profit and loss statement item, and stock share dividends of course do not enter into the profit and loss statement.

Annual Salaries of 3 Highest Paid Executives or Officers, and Total Salaries, Bonus and Fees of Board of Directors and Board of Officers

This information is required under law for proxy statements. Following is an excerpt from such a proxy statement.

UNITED STATES STEEL CORPORATION

Name of Individual or Identity of Group	Capacities in which Remuneration was received	Aggregate Remuneration paid in 1955 by Corporation (Accrual Basis)
Clifford F. Hood	Director, Member of Finance Committee and President	$242,367 (Net after taxes, $70,612)*
Enders M. Voorhees	Director and Member and Chairman of Finance Committee	240,367 (Net after taxes, $69,064)*
Roger M. Blough	Director, Member of Finance Committee and, to May 3, 1955, Vice-Chairman of Board and General Counsel and thereafter Chairman of Board	222,133 (Net after taxes, $67,942)*
All Directors and Officers**	As Directors and Officers	4,135,057

* The estimated net remuneration after paying income taxes. The estimates are based on the assumption that the individual's remuneration from the Corporation is his only income, and that he is entitled to no deduction therefrom other than as a married person and, in computing Federal Income Tax, a deduction of New York State income tax.

** Includes a total of 52 officers and directors for the full year and 5 for portions of the year.

[illegible] OF AMERICA 1955 & (1954)

	Productive Facilities	Crude Steel Production metric tons	Steel Products shipped metric tons	No. of Employees
United States Steel Corporation	iron ore & coal mines; limestone quarries; shipping & rail lines; coke & by-product works; blast furnaces; steel works & rolling mills; some fabrication; cement; bridge & steel construction	32,031,705 (25,723,230)	23,138,660 (18,360,517)	272,646 (268,142)
Bethlehem Steel Corporation	iron ore & coal mines; limestone quarries; shipping & rail lines; coke & by-product works; blast furnaces; steel works & rolling mills; some fabrication; bridge, steel ship construction	17,074,047 (12,528,293)	12,295,822 (9,277,537)	144,853 (135,784)
Republic Steel Corporation	iron ore & coal mines; limestone quarries; shipping & railroad lines; coke & by-product works; blast furnaces, steel works & rolling mills; some fabrication and manufacture.	8,781,660 (6,325,630)	6,340,118 (4,547,110)	66,083 (57,753)
Jones & Laughlin Steel Corporation	iron ore & coal mines; limestone quarries; rail lines; coke & by-product works; blast furnaces; steel works & rolling mills; some fabrication.	5,615,475 (4,145,835)	4,007,943 (2,905,713)	41,001 (38,511)
National Steel Corporation	iron ore & coal mines; limestone quarries; shipping & rail lines; coke & by-product works; blast furnaces, steel works & rolling mills; some fab.	5,550,000 (4,027,901)	n.a. (n.a.)	28,889 (26,486)
Youngstown Sheet & Tube Company	iron ore, coal & zinc mines; limestone quarries; shipping & rail lines; coke & by-product works; blast furnaces, steel works & rolling mills; some fabrication	5,054,432 (3,509,467)	3,578,383 (2,564,613)	28,262 (25,681)
Inland Steel Corporation	iron ore & coal mines; limestone quarries; shipping lines, coke & by-product works; blast furnaces; steel works; rolling mills; some fabric.	4,707,844 (4,102,523)	3,587,523 (3,077,769)	27,908 (26,749)
Armco Steel Corporation	iron ore & coal mines; limestone quarries; shipping lines; coke & by-product works; blast furnaces, steel works & rolling mills; some fab.	4,626,557 (4,035,859)	3,631,944 (2,877,047)	31,504 (29,145)
Wheeling Steel Corporation	iron ore & coal mines; limestone quarries; rail lines; coke & by-product works; blast furnaces, steel works & rolling mills; some fabrication and manufacture	1,866,340 (1,442,100)	1,397,064 (1,061,406)	14,075 (13,099)
Colorado Fuel & Iron Corporation (year ending June)	iron ore & coal mines; limestone quarries; rail lines; coke & by-product works; blast furnaces; steel mills; rolling mills; fabrication	1,756,674 (1,674,385)	1,476,522 (1,531,280)	20,652 (21,102)
Sharon Steel Corporation	coal mines; coke & by-product works; trucking lines; blast furnaces; steel works & rolling mills; some fabrication	1,386,801 (767,945)	991,184 (554,914)	9,061 (9,146)
Kaiser Steel Corporation (year ending June)	iron ore & coal mines; rail lines; coke & by-product works; blast furnaces, steel works & rolling mills; some fabrication	1,299,762 (1,254,525)	843,279 (847,168)	9,732 (7,546)
[illegible]	[illegible] coal [illegible]; rail lines; coke & by-product works, blast furnaces, [illegible] rolling mills, fabrication	1,1[illegible],518 (971,[illegible])	[illegible] ([illegible])	10,168 ([illegible])

UNITED STATES OF AMERICA 1955 (& 1954)

	Productive Facilities	Crude Steel Production metric tons	Steel Products shipped metric tons	No. of Employees
Crucible Steel Co. of America	iron ore & coal mines; shipping lines; coke & by-product works; blast furnaces; steel works & rolling mills; fabrication and titanium plant	1,108,739 (733,666)	n.a. (n.a.)	15,359 (14,115)
Granite City Steel Company	coke & by-product works; blast furnace, steel works & rolling mills; some fabrication	989,738 (576,062)	871,896 (507,116)	4,732 (4,361)
McLouth Steel Corporation	Blast furnaces; steel works; rolling mills; oxygen LD plant.	810,000* (394,008)	n.a. (334,449)	3,531 (2,665)
Detroit Steel Corporation	coal mines; coke & by-product works, blast furnace, steel works & rolling mills	805,982 (401,658)	714,669 (336,639)	4,744 (4,217)
Lukens Steel Corporation	steel works, rolling mills; iron ore mine (year ending october 23rd)	627,267 (573,190)	445,036 (412,907)	4,742 (4,948)
Alleghany-Ludlum Steel Corp.	steel works & rolling mills; some fabrication; alloy & electric steels; titanium plant	619,784 (391,058)	421,143 (276,380)	14,778 (12,599)
Alan Wood Steel Corporation	iron ore mines; coke & by-product works, blast furnaces, steel works & rolling mills	604,101 (313,811)	419,161 (218,892)	3,605 (2,828)
Lone Star Steel Company	iron ore & coal mines; coke works; blast furances, steel works & rolling mills; rail lines	504,670 (343,831)	401,667 (167,372)	4,259 (4,130)
Barium Steel Corporation	blast furnaces & steel works & rolling mills; but also very extensive fabrication & manufacturing in several fields	472,552 (215,002)	n.a. (n.a.)	5,700 (4,718)
Northwestern Steel & Wire Company	Steel works & rolling mills; fabrication (year ending 31st July)	455,808 (280,093)	355,321 (223,321)	2,677 (2,318)
Newport Steel Corporation	steel works & rolling mills (year ending 31st October)	435,483 (140,303)	303,183 (108,170)	2,230 (1,456)
Laclede Steel Company	steel works & rolling mills	429,740 (359,266)	350,543 (282,261)	3,470 (3,086)
Keystone Steel & Wire Company	steelworks & rolling mills; some fabrication	377,470 (303,402)	312,447 (249,683)	2,700
Continental Steel Corporation	steel works & rolling mills; some fabrication	348,703 (304,949)	259,429 (210,564)	2,735 (2,577)

* Estimate

UNITED STATES OF AMERICA 1955 & (1954)

	No. of Shareholders	Largest Shareholding	Sales or Gross Revenue		Labor Costs		Percentage Labor Costs to Sales
			Nat.Currency $	Sw.Francs	Nat.Currency $	Sw.Francs	
United States Steel Corporation	296,330 (275,833)		4,097,680,287 (3,250,369,279)	17,620,024,860 (13,976,587,560)	1,614,885,659 (1,386,952,824)	6,944,008,080 (5,963,897,040)	39.4 (42.7)
Bethlehem Steel Corporation	101,408 (100,549)		2,114,599,636 (1,667,377,179)	9,092,778,000 (7,169,721,869)	779,815,730 (657,689,497)	3,253,207,639 (2,828,064,837)	36.8 (39.4)
Republic Steel Corporation	83,063 (69,464)		1,195,094,731 (850,343,516)	5,138,907,210 (3,656,477,118)	395,602,510 (300,579,588)	1,701,090,793 (1,292,492,228)	33.1 (35.2)
Jones & Laughlin Steel Corporation	44,358 (42,010)		698,826,000 (494,029,000)	3,004,951,800 (2,124,324,700)	236,708,000 (185,032,000)	1,017,844,400 (795,637,600)	33.9 (37.4)
National Steel Corporation	n.a. (n.a.)		629,575,679 (488,819,130)	2,707,175,381 (2,101,922,259)	173,878,283 (147,628,987)	747,675,400 (634,804,614)	27.6 (30.2)
Youngstown Sheet & Tube Company	15,998 (16,241)		626,232,840 (433,406,272)	2,692,801,212 (1,863,646,969)	168,539,739 (126,935,102)	724,720,877 (545,820,938)	26.9 (29.3)
Inland Steel Company	23,200 (20,600)		663,317,374 (537,024,479)	2,852,264,708 (2,309,205,259)	170,541,417 (152,054,573)	733,328,093 (653,834,663)	25.7 (28.3)
Armco Steel Corporation	50,275 (47,615)		700,990,317 (541,168,479)	3,014,258,363 (2,327,024,459)	189,933,354 (166,599,149)	816,713,422 (716,376,340)	27.1 (30.8)
Wheeling Steel Corporation	14,537* (13,212)*		249,445,016 (190,224,955)	1,072,613,568 (817,967,306)	92,139,794 (76,383,958)	396,201,114 (328,451,019)	36.9 (40.2)
Colorado Fuel & Iron Corporation	16,973* (16,501)*		257,543,050 (250,235,696)	1,107,435,115 (1,076,013,492)	107,240,055 (101,064,439)	461,132,236 (434,577,087)	41.6 (40.3)
Sharon Steel Corporation	7,578 (3,132)		173,095,949 (99,347,910)	744,312,580 (427,196,013)	54,778,566 (38,457,650)	235,547,833 (165,367,895)	31.7 (38.7)
Kaiser Steel Corporation	n.a. (n.a.)		136,311,098 (128,883,898)	586,137,721 (554,200,761)	40,636,000 (37,005,000)	174,734,800** (159,121,500)**	29.8** (28.7)**
Pittsburgh Steel Corporation	n.a. (7,024)		177,707,556 (124,438,118)	764,142,490 (535,083,907)	61,942,833*** (51,002,931)***	266,354,181*** (219,312,603)***	34.9*** (41.1)***

* overlapping possible ** direct wages only *** not clear whether wages and salaries only

UNITED STATES OF AMERICA 1955 & (1954)

	No. of Shareholders	Largest Shareholding	Sales or Gross Revenue Nat. Currency $	Sales or Gross Revenue Sw. Francs	Labor Costs Nat. Currency $	Labor Costs Sw. Francs	Percentage Labor Costs to Sales %
Crucible Steel Co. of America	7,263 (8,067)*		238,175,404 (161,067,467)	1,024,154,237 (692,590,108)	87,803,408 (65,423,237)	377,554,654 (281,319,919)	36.9 (40.6)
Granite City Steel Co.	10,593 (10,045)		116,294,000 (69,265,197)	500,064,200 (297,840,347)	26,078,590 (19,178,962)	112,137,937 (82,469,536)	22.4 (27.7)
McLouth Steel Corporation	3,246 (2,151)		145,013,877 (60,402,447)	623,559,641 (259,730,651)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Detroit Steel Corporation	4,253 (3,403)		101,898,889 (51,757,210)	438,165,222 (222,556,003)	27,801,129 (16,412,399)	119,544,854 (70,573,315)	27.3 (31.7)
Lukens Steel Corporation	1,340 (1,402)		79,307,572 (74,954,710)	341,022,559 (322,305,253)	28,478,140 (27,716,553)	122,456,002 (119,181,177)	35.9 (37.0)
Alleghany-Ludlum Steel Corporation	14,950 (14,136)		255,587,054 (170,056,405)	1,099,024,332 (731,242,541)	87,477,993 (66,105,990)	376,155,369 (284,255,757)	34.2 (38.9)
Alan Wood Steel Corporation	2,103* (1,937)*		58,579,893 (36,247,726)	251,893,540 (155,865,222)	19,582,767 (14,004,721)	84,205,898 (60,220,300)	33.4 (39.0)
Lone Star Steel Company	9,200		74,489,168 (37,208,043)	320,303,422 (159,994,584)	20,583,573** (17,401,150)**	88,509,363** (74,824,945)**	27.6** (46.8)**
Barium Steel Corporation	8,750 (8,525)		75,084,700 (53,484,603)	322,864,210 (229,983,792)	23,252,795 (22,156,967)	99,987,019 95,274,958	30.1 41.4
Northwestern Steel & Wire Co.	1,023 (1,010)		51,403,405 (35,587,131)	221,034,641 153,024,663	14,913,355 (11,935,066)	64,127,426 (51,320,783)	29.0 (33.4)
Newport Steel Corporation	subsidiary of larger company		36,913,883 (18,178,502)	158,729,697 78,167,559	10,483,539 (6,400,618)	45,079,218 (27,522,657)	28.4 (35.2)
Laclede Steel Corporation	1,563 (1,391)		58,191,338 (45,364,073)	250,222,753 (195,065,513)	18,551,024 (15,662,572)	79,769,403 (67,349,059)	31.9 (36.1)
Keystone Steel & Wire Company	4,092 (4,062)		56,367,810 (44,381,565)	242,381,583 (190,840,730)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Continental Steel Corporation	2,383 (2,880)		45,003,137 (35,743,289)	193,513,489 (153,696,142)	14,020,371** (12,661,618)**	61,403,798** (54,444,957)**	31.2** (35.5)**

* overlapping possible ** wages and salaries only

UNITED STATES OF AMERICA 1955 - (1954)

	Material Costs		Net Profits		% Net Profits to Sales	Ratio Labor Costs to Net Profits	Interest on Debt	
	Nat. Currency $	Sw. Francs	Nat. Currency $	Sw. Francs	%		Nat. Currency $	Sw. Francs
United States Steel Corporation	1,355,237,023 (1,134,302,726)	5,827,519,100 (4,877,501,721)	370,099,353 (195,417,611)	1,591,427,205 (840,295,723)	9.0 (6.0)	4.4 : 1 (7.1 : 1)	9,071,803 (5,191,459)	39,008,753 (22,323,273)
Bethlehem Steel Corporation	830,385,593 (631,623,964)	3,570,658,037 (2,715,983,045)	180,191,708 (132,837,154)	774,824,310 (571,199,762)	8.5 8.0	4.3 : 1 (5.0 : 1)	8,568,925 (6,852,991)	36,846,377 (29,467,861)
Republic Steel Corporation	570,060,172 (n.a.)	2,451,258,731 (n.a.)	86,271,491 (52,875,164)	370,967,411 (227,363,205)	7.2 (6.2)	4.6 : 1 (5.7 : 1)	1,939,455 (4,465,440)	8,339,656 (19,201,392)
Jones & Laughlin Steel Corporation	312,681,000 (215,100,000)	1,344,528,300 (925,317,000)	50,104,000* (25,032,000)*	215,447,200* (107,637,600)*	7.2* (5.1)*	4.7 : 1* (7.4 : 1)*	3,541,000 (3,731,000)	15,226,300 (16,043,300)
National Steel Corporation	n.a. (234,213,795)	n.a. (1,007,119,318)	48,289,453 (30,334,871)	207,644,647 (130,439,945)	7.7 (6.2)	3.6 : 1 (4.9 : 1)	1,759,202 (1,759,202)	7,564,568 (7,564,568)
Youngstown Sheet & Tube Company	323,762,373 (n.a.)	1,392,178,191 (n.a.)	41,701,140* (20,182,500)	179,314,902* (86,784,750)	6.6* (4.7)	4.0 : 1* (6.2 : 1)	3,225,925 (3,335,017)	13,871,477 (14,340,573)
Inland Steel Corporation	n.a. (n.a.)	n.a. (n.a.)	52,466,098 (41,287,152)	225,604,221 (177,534,753)	8.0 (7.7)	3.3 : 1 (3.7 : 1)	2,701,727 (3,276,216)	11,617,426 (14,087,728)
Armco Steel Corporation	336,310,012 (250,250,527)	1,446,171,751 (1,076,077,266)	64,350,609 (41,100,266)	276,707,618 (176,731,143)	9.2 (7.7)	2.9 : 1 (4.1 : 1)	2,045,660 (2,412,970)	8,796,338 (10,375,771)
Wheeling Steel Corporation	101,947,795 (78,330,387)	438,375,518 (339,009,364)	17,295,711 (9,595,740)	74,371,557 (41,261,682)	6.9 (5.0)	5.3 : 1 (8.0 : 1)	1,460,221 (1,780,800)	6,278,950 (7,657,440)
Colorado Fuel & Iron Corporation	117,659,975 (128,129,438)	505,937,892 (529,456,583)	10,887,163 (7,051,729)	46,814,800 (30,322,434)	4.2 (2.8)	9.9 : 1 (14.3 : 1)	2,761,888 (2,843,425)	11,876,118 (12,226,727)
Sharon Steel Corporation	96,234,661 (50,708,730)	413,809,128 (218,026,039)	7,987,622 (3,134,864)	34,346,774 (13,479,915)	4.6 (3.2)	6.8 : 1 (12.3 : 1)	204,608 (230,133)	879,814 (989,571)
Kaiser Steel Corporation	n.a. (n.a.)	n.a. (n.a.)	5,741,236** (7,926,660)	24,687,315 (34,084,638)	4.2 6.2	7.1 : 1 4.7 : 1	5,687,532 (5,654,848)	24,456,387 (24,315,846)
Pittsburgh Steel Corporation	n.a. (n.a.)	n.a. (n.a.)	7,515,470** (2,170,694)**	32,316,521** (9,333,984)**	4.2** (1.8)**	8.2 : 1** (23.5 : 1)**	1,535,609 (1,578,019)	6,603,118 (6,785,481)

* Future liability tax set aside for rapid amortisation deducted.

** Based upon normal depreciation only, but with future tax liability deducted.

[illegible] OF AMERICA 1955 & (195[illegible])

	Material Costs		Net Profits		% Net Profits to Sales	Ratio Labor Costs to Net Profits	Interest on Debt	
	Nat. Currency $	Sw. francs	Nat. Currency $	Sw. Francs	%		Nat. Currency $	Sw. Francs
Crucible Steel Co. of America	n.a. (n.a.)	n.a. (n.a.)	13,208,602 (3,705,952)	56,796,988 (15,935,593)	5.5 (2.3)	6.6 : 1 (17.6 : 1)	1,352,203 (1,517,862)	5,814,472 (6,526,306)
Granite City Steel Co.	n.a. (34,284,553)	n.a. (147,423,577)	12,610,820* (4,012,192)*	54,226,526* (17,252,425)*	10.8* (5.8)*	2.1 : 1* (4.8 : 1)*	1,625,920 (1,796,600)	6,991,456 (7,725,380)
McLouth Steel Corporation	n.a. (n.a.)	n.a. (n.a.)	8,148,000* (1,695,000)*	35,036,400* (7,288,500)*	5.6* (2.9)*	n.a. (n.a.)	3,280,401 (3,219,441)	14,105,724 (13,843,596)
Detroit Steel Corporation	61,368,989 (27,030,173)	263,886,652 (116,444,743)	6,317,860* (862,528)*	27,166,798* (3,708,870)*	6.2* (1.7)*	[illegible] : 1* (19.0 : 1)*	1,916,617 (1,987,000)	8,241,453 (8,544,100)
Lukens Steel Corporation	44,574,358 (40,126,667)	191,669,739 (172,544,668)	1,731,238* (2,014,791)	7,444,323* (8,663,601)	2.2* (2.7)	16.5 : 1* (13.8 : 1)	297,916 (294,806)	1,281,038 (1,267,665)
Allegheny-Ludlum Steel Corporation	121,544,040 (82,662,244)	522,639,372 (355,447,649)	14,985,660 (4,246,083)	64,438,338 (18,258,156)	5.9 (2.5)	5.8 : 1 (15.6 : 1)	1,042,988 (1,002,997)	4,484,848 (4,312,887)
Alan Wood Steel Corporation	29,683,208 (17,701,846)	127,637,794 (76,117,937)	2,551,530 (1,246,251)	10,971,579 (5,358,879)	4.4 (3.4)	7.7 : 1 (11.6 : 1)	242,222 (466,905)	1,041,555 (2,007,691)
Lone Star Steel Corporation	n.a. (n.a.)	n.a. (n.a.)	4,759,086 (0)	20,464,069 (0)	6.4 (-)	4.3 : 1 (-)	4,138,777 (4,194,619)	17,796,741 (18,036,861)
Barium Steel Corporation	n.a. (n.a.)	n.a. (n.a.)	655,318 (0)	2,817,867 (0)	0.9 (-)	35.5 : 1 (-)	n.a. (n.a.)	n.a. (n.a.)
Northwestern Steel & Wire Company	n.a. (n.a.)	n.a. (n.a.)	4,131,969 (1,018,754)	17,767,466 (4,380,642)	8.0 (2.8)	3.6 : 1 (11.7 : 1)	490,787 (857,951)	2,110,384 (3,689,189)
Newport Steel Corporation	n.a. (n.a.)	n.a. (n.a.)	915,233 (0)	3,935,502 (0)	2.5 (-)	11.5 : 1 (-)	n.a. (n.a.)	n.a. (n.a.)
Laclede Steel Company	n.a. (n.a.)	n.a. (n.a.)	4,047,053 (2,943,150)	17,402,327 (12,555,545)	7.0 6.8	4.6 : 1 (5.3 : 1)	118,283 (126,573)	508,616 (544,263)
Keystone Steel & Wire Company	n.a. (n.a.)	n.a. (n.a.)	8,362,556 (4,784,850)	35,958,991 (20,574,855)	14.8 (10.8)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Continental Steel Corporation	23,096,687 (17,589,466)	99,315,754 (75,634,703)	3,022,143 (1,993,337)	12,995,214 (8,571,349)	6.7 (5.6)	4.6 : 1 (6.4 : 1)	103,250 (110,750)	443,975 (476,225)

* Based upon normal depreciation only, but with [illegible] tax liability deducted

UNITED STATES STEEL, 1955 & (1954)

	Dividends Paid		Ratio Labor Costs to Dividends	Reinvested Profits		Ratio Labor Costs to Reinvested Profits	Ratio Dividends to Reinvested Profits
	Nat. Currency $	Sw. Francs		Nat. Currency $	Sw. Francs		
United States Steel Corporation	140,127,110 (110,737,043)	636,946,573 (476,169,272)	10.9 : 1 (12.5 : 1)	221,972,243 (84,680,568)	954,480,644 (364,126,442)	7.3 : 1 (16.4 : 1)	0.7 : 1 (1.4 : 1)
Bethlehem Steel Corporation	76,027,678 (61,639,125)	326,919,015 (265,047,237)	10.3 : 1 (10.7 : 1)	104,164,030 (71,198,029)	447,905,329 (306,151,524)	7.5 : 1 (9.2 : 1)	0.7 : 1 (0.9 : 1)
Republic Steel Corporation	[illegible],404,321 (29,786,866)	165,138,580 (123,083,524)	10.3 : 1 (10.1 : 1)	47,867,170 (23,088,298)	205,828,831 (99,279,681)	8.3 : 1 (1[illegible] : 1)	0.8 : 1 (1.3 : 1)
Jones & Laughlin Steel Corporation	15,510,000 (13,864,000)	66,693,000 (59,615,200)	15.3 : 1 (13.3 : 1)	34,594,000 (11,168,000)	148,754,200 (48,022,400)	6.8 : 1 (16.6 : 1)	0.[illegible] : 1 (1.2 : 1)
National Steel Corporation	23,940,275 (22,009,698)	102,943,182 (9[illegible],641,701)	7.3 : 1 (6.7 : 1)	24,349,178 (8,325,173)	104,701,465 (35,798,243)	7.1 : 1 (17.7 : 1)	1.0 : 1 (2.6 : 1)
Youngstown Sheet & Tube Company	12,545,383 (12,566,618)	54,375,146 (54,036,457)	13.3 : 1 (10.1 : 1)	29,055,757 (7,615,882)	124,939,765 (32,748,292)	5.3 : 1 (16.7 : 1)	0.4 : 1 (1.7 : 1)
Inland Steel Corporation	23,044,176 (18,942,069)	99,089,956 (81,450,896)	7.4 : 1 (8.0 : 1)	29,[illegible]21,922 (22,345,083)	126,514,264 (96,083,856)	5.3 : 1 (6.8 : 1)	0.8 : 1 (0.8 : 1)
Armco Steel Corporation	20,625,713 (15,645,892)	88,690,565 (67,277,335)	9.2 : 1 (10.6 : 1)	43,724,896 (25,454,374)	188,017,052 (109,453,808)	4.3 : 1 (6.5 : 1)	0.5 : 1 (0.6 : 1)
Wheeling Steel Corporation	16,051,847* (6,059,805)	69,022,942* (26,057,161)	(12.6 : 1)	10,185,140 (3,535,935)	43,796,102 (15,204,520)	9.0 : 1 (21.6 : 1)	0.7 : 1* (1.7 : 1)
Colorado Fuel & Iron Corporation	4,643,986* (4,516,886)*	19,969,140* (19,420,460)*		7,328,343 (4,545,543)	31,511,874 (19,545,834)		0.5 : 1 (0.6 : 1)
Sharon Steel Corporation	2,750,000 (2,750,000)	11,825,000 (11,825,000)	19.9 : 1 (14.0 : 1)	5,237,622 (384,864)	22,521,774 (1,654,915)	10.4 : 1 (99.0 : 1)	0.5 : 1 (7.1 : 1)
Kaiser Steel Corporation	3,572,928 (3,918,810)	15,363,590 (16,850,883)	11.4 : 1 (9.4 : 1)	2,168,308 (4,007,856)	9,323,724 (17,233,181)	18.7 : 1 (9.2 : 1)	(18.2 : 1)
Pittsburgh Steel Corporation	2,730,721* (2,986,519)*	11,742,100* (12,842,032)*		5,851,339 (862,544)	25,160,758 (3,708,939)		

* Includes stock share dividend

[illegible] (19[illegible])

	Dividends Paid		Ratio Labor Costs to Dividends	Reinvested Profits		Ratio Labor Costs to Reinvested Profits	Ratio Dividends to Reinvested Profits
	Nat. Currency $	Sw. Francs		Nat. Currency $	Sw. Francs		
Crucible Steel Co. of America	4,121,507 (2,921,177)*	17,722,480 (12,561,061)*		9,087,095 (1,403,722)	39,074,508	9.7 : 1	0.5 : 1 (3.7 : 1)*
Granite City Steel Co.	4,316,849 (2,513,708)	18,562,450 (10,808,944)	6.0 : 1 (7.6 : 1)	8,293,971 (1,498,484)	35,664,075 (6,443,481)	3.1 : 1 (12.8 : 1)	0.5 : 1 (1.7 : 1)
McLouth Steel Corporation	1,418,000 (709,000)	6,097,400 (3,048,700)	n.a. (n.a.)	6,730,000 (986,000)	28,939,000 (4,239,800)	n.a. (n.a.)	0.2 : 1 (0.7 : 1)
Detroit Steel Corporation	2,019,233* (0)	8,682,702* (0)		5,508,127 (862,528)	23,684,946 (3,708,870)	(13.9 : 1)	0.2 : 1**
Lukens Steel Corporation	556,458 (1,112,916)	2,392,769 (4,785,538)	51.2 : 1 (24.9 : 1)	1,174,780 (901,875)	5,051,554 (3,878,062)	24.3 : 1 (30.7 : 1)	0.5 : 1 (1.2 : 1)
Alleghany-Ludlum Steel Corporation	4,355,992 (3,734,609)	18,730,765 (16,058,818)	20.1 : 1 (129.2 : 1)	10,629,568 (511,474)	45,707,572 (2,199,338)	8.2 : 1 (129.2 : 1)	0.4 : 1 (7.3 : 1)
Allan Wood Steel Corporation	1,560,815* (990,369)*	7,141,505* (4,258,587)*		1,327,000 (712,000)	5,706,100 (3,061,600)		0.9 : 1** (0.8 : 1)**
Lone Star Steel Company	0 (0)	0 (0)	- (-)	4,759,086 (0)	20,464,069 (0)	4.3 : 1 (-)	- (-)
Barium Steel Corporation	906,001* (1,521,240)*	3,895,804* (6,541,332)*		655,318 (-)	2,817,867 (-)	35.5 : 1 (-)	- (-)
Northwestern Steel & Wire Company	408,913 (0)	1,758,325 (0)	36.5 : 1 (-)	3,723,056 (1,018,754)	16,009,140 (4,380,642)	4.0 : 1 (11.7 : 1)	0.1 : 1
Newport Steel Corporation	0	0	-	915,233	3,935,502	11.5 : 1	-
Laclede Steel Company	1,237,500 (1,320,000)	5,321,250 (5,676,000)	15.0 : 1 (11.9 : 1)	2,809,553 (1,623,150)	12,081,077 (6,979,545)	6.6 : 1 (9.7 : 1)	0.4 : 1 (0.8 : 1)
Keystone Steel & Wire Company	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Continental Steel Corporation	1,504,083 (1,002,722)	6,467,556 (4,311,704)	9.3 : 1 (12.6 : 1)	1,518,060 (990,615)	6,527,658 (4,259,644)	9.2 : 1 (12.8 : 1)	1.0 : 1 (1.0 : 1)

* Includes stock shares dividend ** Cash part only

UNITED STATES OF AMERICA 1953 & (1954)

	Depreciation		Percentage Depreciation to Sales	Ratio Labor Costs to Depreciation	Corporation Taxes on Income	
	Nat. Currency	Swiss Francs			Nat. Currency	Swiss Francs
	$		%		$	
United States Steel Corporation	285,199,286 (261,839,325)	1,226,357,334 (1,125,909,076)	7.7.0 (8.1)	5.7 : 1 (5.3 : 1)	366,000,000 (190,000,000)	1,573,800,000 (817,000,000)
Bethlehem Steel Corporation	102,653,998 (92,882,804)	441,412,157 (399,396,057)	4.9 (5.6)	7.6 : 1 (7.1 : 1)	181,000,000 (119,000,000)	778,300,000 (511,700,000)
Republic Steel Corporation	45,472,391 (41,613,065)	195,531,281 (178,936,179)	3.8 (4.9)	8.7 : 1 (7.2 : 1)	84,000,000 (49,900,000)	361,200,000 (214,570,000)
Jones & Laughlin Steel Corporation	37,021,000 (33,794,000)	159,190,300 (145,314,200)	5.3 (6.8)	6.4 : 1 (5.5 : 1)	48,877,000* (23,437,000)*	210,171,100* (100,779,100)*
National Steel Corporation	40,235,237 (37,683,629)	173,011,519 (162,039,604)	6.4 (7.7)	4.3 : 1 (3.9 : 1)	48,275,000 (27,750,000)	207,582,500 (119,325,000)
Youngstown Sheet & Tube Company	41,217,490 (36,849,501)	177,235,207 (158,452,854)	6.6 (8.6)	4.1 : 1 (3.4 : 1)	41,867,500* (12,104,000)	180,030,250* (52,047,000)
Inland Steel Corporation	21,529,968 (18,976,213)	92,578,862 (81,597,915)	3.2 (3.5)	7.9 : 1 (8.0 : 1)	53,050,000 (37,930,000)	228,115,000 (163,099,000)
Armco Steel Corporation	33,3[illegible],730 (32,221,463)	145,687,139 (138,552,290)	4.8 (6.0)	5.6 : 1 (5.2 : 1)	66,613,787 (42,522,217)	286,439,284 (182,845,963)
Wheeling Steel Corporation	15,805,982 (13,152,335)	67,965,722 (56,555,040)	6.3 (6.9)	5.8 : 1 (5.8 : 1)	18,480,000 (8,483,000)	79,464,000 (36,476,900)
Colorado Fuel & Iron Corporation	8,025,886 (9,922,840)	34,511,309 (42,668,212)	3.1 (4.0)	13.4 : 1 (10.2 : 1)	10,681,800* (6,125,001)	45,931,740* (26,337,504)
Sharon Steel Corporation	4,714,399 (3,973,917)	20,271,915 (17,087,843)	2.7 (4.0)	11.6 : 1 (9.7 : 1)	8,200,000 (1,950,000)	35,260,000 (8,385,000)
Kaiser Steel Corporation	24,078,701** (20,821,247)**	103,538,414** (89,531,362)**	17.6 (16.1)	1.7 : 1*** (1.8 : 1)***	4,800,000* (7,225,000)*	20,640,000* (31,067,500)*
Pittsburgh Steel Corporation	12,194,287** (11,415,261)**	52,435,431** (49,085,622)**	6.9 (9.2)	5.1 : 1 (4.5 : 1)	7,600,000* (1,497,000)*	32,680,000* (6,437,100)*

* Includes deferred tax liability arising out of rapid amortization.

** Including rapid amortization not figuring in profit & loss statement.

*** Direct wages and salaries only

	Depreciation		Percentage Depreciation to Sales	Ratio Labor Costs to Depreciation	Corporation Taxes on Income	
	Nat. Currency $	Sw. Francs	%		Nat. Currency $	Sw. Francs
Crucible Steel Co. of America	10,73[illegible] (9,972,7[illegible]3)	46,153,792 (42,882,794)	4.5 (6.2)	8.2 : 1 (6.6 : 1)	16,898,102 (4,761,779)	72,661,838 (20,475,649)
Granite City Steel Company	12,785,040* (11,606,123)*	54,760,672* (49,906,329)*	11.0 (16.8)	2.0 : 1 (1.7 : 1)	13,703,700** (4,400,700)**	58,925,910** (18,923,010**
McLouth Steel Corporation	1[illegible],250,954* (7,253,900)*	78,479,102* (31,191,770)*	12.6 (12.0)	n.a. (n.a.)	7,375,010**	31,712,500**
Detroit Steel Corporation	11,3[illegible]1,549 (10,231,104)	[illegible]8,940,661 (43,993,747)	11.1 (19.8)	2.[illegible] : 1 (1.6 : 1)	6,715,966** (0)	2[illegible],078,654** (0)
Lukens Steel Corporation	2,[illegible],986* (2,[illegible]02,267)	11,480,940* (10,329,748)	3.[illegible] (3.2)	10.7 : 1 (11.5 : 1)	2,[illegible]00,000** (2,256,125)	10,320,000** (9,701,337)
Alleghany-Ludlum Steel Corporation	10,861,7[illegible]2 (9,812,[illegible]13)	46,705,404 (42,193,375)	[illegible].3 (5.[illegible])	[illegible].1 : 1 6.7 : 1	16,554,000 ([illegible],[illegible]59,000)	71,182,200 (19,173,700)
Alan Wood Corporation	4,[illegible]78,694 (2,561,794)	18,328,384 (11,015,714)	7.5 ([illegible].1)	[illegible].5 : 1 (5.6 : 1)	1,754,000 (241,000)	7,542,200 (1,036,300)
Lone Star Steel Company	1[illegible],382,258 (3,589,[illegible]89)	53,243,709 (36,934,[illegible]03)	16.6 (23.1)	1.7 : 1 (2.0 : 1)	[illegible],665,000** (0)	20,059,500** (0)
Barium Steel Corporation	1,831,[illegible]50 (1,901,696)	7,[illegible]74,[illegible]05 (8,177,292)	2.4 (3.6)	12.7 : 1 (11.6 : 1)	1,158,621** (0)	[illegible],982,070** (0)
Northwestern Steel & Wire Company	1,240,826 (1,183,068)	5,335,551 (5,087,192)	2.4 (3.3)	12.[illegible] : 1 (10.0 : 1)	[illegible],610,000** (1,065,000)**	19,823,000** (4,579,500)**
Newport Steel Corporation	687,727 (579,133)	2,957,226 (2,490,272)	1.9 (3.2)	15.2 : 1 (11.1 : 1)	979,638 (0)	4,212,[illegible]43 (0)
Laclede Steel Company	1,622,241 (1,501,326)	6,975,636 (6,455,830)	2.8 (3.3)	11.4 : 1 (10.4 : 1)	4,700,000 (3,050,000)	20,210,000 (13,115,000)
Keystone Steel & Wire Company	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Continental Steel Corporation	1,337,564 (1,238,698)	5,751,525 (5,326,401)	3.0 (3.5)	10.5 : 1 (10.2 : 1)	2,760,000 (1,600,000)	11,868,000 (6,880,000)

* Includ[illegible] [illegible]ortization not figuring in profit & loss statement. ** Includ[illegible] [illegible]erred t[illegible] [illegible]ibility arising out of rapid [illegible]ization

UNITED [illegible]

	Net Worth		Percentage Profits to Net Worth	Percentage Dividends to Net Worth	Long Term Debt	
	Nat. Currency $	Swiss Francs	%	%	Nat. Currency $	Swiss Francs
United States Steel Corporation	2,582,572,051 (2,348,712,641)	11,105,059,815 (10,099,464,356)	14.3 (8.3)	5.7 (4.7)	286,083,534 (324,120,277)	1,230,159,196 (1,393,697,191)
Bethlehem Steel Corporation	1,186,070,545 (1,079,920,615)	5,100,103,150 (4,643,658,644)	15.2 (12.3)	6.4 (5.7)	336,904,500 (152,174,000)	1,448,689,350 (654,348,200)
Republic Steel Corporation	606,097,091 (537,849,801)	2,606,217,491 (2,312,754,144)	14.2 (9.8)	6.3 (5.5)	44,029,724 (91,468,450)	189,327,813 (393,314,335)
Jones & Laughlin Steel Corporation	420,739,000 (383,467,000)	1,809,177,700 (1,648,908,100)	11.9 (6.5)	3.7 (3.6)	105,473,000 (113,972,000)	453,533,900 (489,886,100)
National Steel Corporation	397,911,987 (372,082,106)	1,711,021,544 (1,599,953,055)	12.1 (8.2)	6.0 (5.9)	55,000,000 (55,000,000)	236,500,000 (236,500,000)
Youngstown Sheet & Tube Company	362,890,771 (332,764,332)	1,560,430,315 (1,430,886,627)	11.4 (6.1)	3.5 (3.7)	100,000,000 (100,000,000)	430,000,000 (430,000,000)
Inland Steel Corporation	332,299,301 (287,259,955)	1,428,886,994 (1,235,217,806)	15.7 (14.7)	6.9 (6.6)	84,115,800 (97,001,800)	361,697,940 (417,107,740)
Armco Steel Corporation	386,686,400 (339,655,434)	1,662,751,520 (1,460,518,366)	16.6 (12.1)	5.3 (12.1)	57,329,355 (64,094,018)	246,516,226 (275,604,277)
Wheeling Steel Corporation	180,851,867 (156,675,312)	777,663,028 (673,703,841)	9.6 (6.1)	(3.9)	48,944,800 (49,191,100)	210,462,640 (211,521,730)
Colorado Fuel & Iron Corporation	115,013,365 (107,432,675)	494,557,469 (461,960,502)	9.5 (6.6)		55,312,000 (56,300,000)	237,841,600 (242,090,000)
Sharon Steel Corporation	68,098,951 (62,861,329)	292,825,489 (270,303,714)	11.7 (5.0)	4.0 (4.4)	5,000,000 (5,850,000)	21,500,000 (25,155,000)
Kaiser Steel Corporation	105,685,895 (103,899,324)	454,449,348 (446,767,093)	5.4 (7.6)	3.4 (3.8)	130,943,547 (138,185,525)	563,057,252 (594,197,757)
Pittsburgh Steel Corporation	153,255,428 (140,569,330)	658,998,340 (604,448,119)	4.9 (1.5)		32,337,763 (36,393,239)	139,052,380 (156,490,927)

[illegible] OF AMERICA 1955 & (1954)

	Net Worth		Percentage Profits to Net Worth	Percentage Dividends to Net Worth	Long Term Debt	
	Nat. Currency $	Sw. Francs	%	%	Nat. Currency $	Swiss Francs
Crucible Steel Co. of America	98,027,474 (88,606,023)	421,518,138 (381,005,898)	13.5 (4.2)	4.2	30,820,447 (31,389,000)	132,527,922 (134,972,700)
Granite City Steel Company	68,186,342 (60,609,707)	293,201,270 (260,621,740)	18.5 (6.6)	6.3 (4.1)	34,250,000 (29,623,266)	176,481,322 (127,380,043)
McLouth Steel Corporation	62,165,528 (58,014,000)	267,311,770 (249,460,200)	13.1 (2.9)	2.3 (1.2)	65,551,000 (74,500,000)	281,869,300 (320,350,000)
Detroit Steel Corporation	57,693,208 ([illegible],201,485)	248,080,773 (172,866,385)	10.4 (2.9)		28,000,000 (35,060,000)	120,400,000 (150,758,000)
Lukens Steel Corporation	28,334,613 (27,159,833)	121,838,835 (116,787,281)	[illegible].1 (7.[illegible])	2.0 [illegible].1	6,000,000 (6,430,000)	25,800,000 (27,649,000)
Alleghany-Ludlum Steel Corporation	90,849,921 (80,073,450)	390,654,660 (344,315,835)	16.5 (5.3)		30,276,000 (32,507,000)	130,186,800 (139,780,100)
Alan Wood Steel Corporation	30,[illegible],301 ([illegible],628,070)	13[illegible],[illegible]7,100 (12[illegible],[illegible],701)	[illegible].3 ([illegible])		5,250,000 (7,000,000)	22,575,000 (30,100,000)
Lone Star Steel Company	26,922,207 (22,163,120)	115,765,490 (95,301,416)	17.6 (-)	- -	75,916,081 (82,873,245)	326,439,148 (356,354,953)
Barium Steel Corporation	22,822,552 (22,222,682)	98,136,974 (95,557,532)	2.9 (-)			
Northwestern Steel & Wire Company	20,850,690 (17,127,634)	89,657,967 (73,648,826)	19.8 (5.9)	2.0 (-)	8,734,777 (4,906,206)	37,559,541 (21,096,685)
Newport Steel Corporation					114,956 (222,956)	494,311 958,711
Laclede Steel Corporation	21,658,785 (18,849,232)	93,132,775 (81,051,697)	13.7 (15.6)	5.7 (7.0)	2,999,915 (3,257,366)	12,899,634 (14,006,673)
Keystone Steel & Wire Company	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Continental Steel Corporation	20,521,084 (19,003,024)	88,240,661 (81,713,003)	14.7 (10.5)	7.3 (5.3)	2,400,000 (2,600,000)	10,320,000 (11,800,000)

UNITED STATES [illegible] 1955 [illegible] (1954)

	Annual Salaries of Three Highest Paid Executives or Officers						Total Salaries, Bonus & Fees Boards of Officers & Directors	
	National Currency (dollars)			Swiss Francs			National Currency	Sw. francs
	1	2	3	1	2	3		
United States Steel Corporation	242,367 (259,200)	240,367 (213,000)	222,133 (211,400)	1,042,178 (1,114,560)	1,033,578 (915,900)	955,171 (909,020)	4,135,057 (3,978,436)	17,780,745 (16,333,274)
Bethlehem Steel Corporation	705,923 (487,347)	588,270 (590,815)	460,615 (353,876)	3,035,468 (2,019,592)	2,508,061 (2,540,504)	1,980,644 (1,650,660)	5,638,709 (4,705,176)	24,439,948 (20,232,256)
Republic Steel Corporation	310,000 (300,000)	250,000 (300,000)	170,000 (160,000)	1,333,000 (1,290,000)	1,075,000 (1,290,000)	731,000 (688,000)	1,271,200 (1,294,402)	5,466,160 (5,565,921)
Jones & Laughlin Steel Corporation	230,110 (136,570)	163,351 (130,780)	99,711 (107,325)	989,473 (802,259)	702,409 (562,354)	428,757 (467,087)	933,642 (1,051,[illegible])	4,012,080 (4,520,770)
National Steel Corporation	270,106	273,106	90,000	1,174,355	1,174,355	387,000	1,216,150	5,229,445
Youngstown Sheet & Tube Company	225,712 (183,537)	150,475 (124,358)	127,904 (102,131)	970,561 (802,109)	647,042 (534,730)	549,987 (439,163)	1,043,488 (752,317)	4,486,908 (3,287,113)
Inland Steel Corporation	145,000 (129,166)	137,004 (118,333)	110,878 (97,006)	623,500 (555,413)	589,117 (508,331)	476,775 (417,125)	1,259,601 (1,101,295)	5,416,284 (4,735,563)
Armco Steel Corporation	265,049 (220,052)	240,053 (245,048)	196,283 (175,032)	1,139,710 (946,223)	1,032,227 (1,058,716)	844,016 (752,637)	1,587,546 (1,407,334)	6,051,536 (6,051,536)
Wheeling Steel Corporation	127,072 (119,220)	127,072 (119,220)	66,450 (77,970)	546,409 (512,646)	546,409 (512,646)	285,735 (335,271)	617,858 (590,204)	2,656,789 (2,537,877)
Colorado Fuel & Iron Corporation	116,200	60,800	56,050	(499,660)	(261,440)	(241,015)	583,025	2,507,007
Sharon Steel Corporation	90,000 (100,000)	85,000 (107,494)	53,000 (51,650)	387,000 (430,000)	365,000 (462,224)	227,900 (222,955)	560,820 (550,628)	2,409,376 (2,367,678)
Kaiser Steel Corporation								
Pittsburgh Steel Corporation	127,202 (110,350)	70,686 (60,764)	41,954 (34,322)	594,548 (474,419)	303,949 (261,285)	180,402 (149,734)	390,405 (339,977)	1,680,461 (1,461,901)

UNITED STATES OF AMERICA 1955 & (1954)

	Annual Salaries of Three Highest Paid Executives or Officers						Total Salaries, Bonus & Fees Boards of Officers & Directors	
	National Currency (dollars)			Swiss Francs			Nat. Currency $	Sw. francs
	1	2	3	1	2	3		
Crucible Steel Co. of America	149,915 (68,800)	95,000 (86,496)	95,000 (66,599)	644,638 (295,969)	408,500 (371,932)	408,500 (286,375)	651,836 (546,714)	2,802,894 (2,350,870)
Granite City Steel Company	81,200 (80,900)	51,200 (50,900)	43,200 (33,188)	349,160 (347,870)	220,160 (218,870)	185,760 (164,208)	301,576 (276,510)	1,296,776 (1,188,993)
McLouth Steel Corporation								
Detroit Steel Corporation	162,500 (50,455)	55,000 (25,638)	55,000 (25,261)	698,750 (216,956)	236,500 (110,243)	236,500 (108,622)	573,025 (206,951)	2,464,007 (889,889)
Lukens Steel Corporation	73,047 (70,664)	56,849 (80,711)	57,306 (67,479)	314,102 (303,855)	244,450 (347,057)	246,415 (290,159)	401,798 (467,005)	1,727,731 (2,008,121)
Alleghany-Ludlum Steel Corporation	128,833 (106,250)	93,333 (74,636)	90,000 (69,100)	551,831 (546,875)	401,331 (320,504)	387,000 (297,130)	822,760 (683,126)	3,537,368 (2,937,441)
Alan Wood Steel Corporation								
Lone Star Steel Corporation								
Barium Steel Corporation								
Northwestern Steel & Wire Company								
Newport Steel Corporation								
Laclede Steel Corporation								
Keystone Steel & Wire Company								
Continental Steel Corporation	44,047 (57,661)	32,002 (35,465)	(33,895)	189,402 (247,942)	137,608 (152,499)	(145,748)	206,925 (222,483)	889,777 (956,676)

FEDERAL REPUBLIC OF GERMANY

A. The Industry as a Whole

The West German steel industry produced 17,434,000 metric crude tons in 1954, and 21,336,000 metric crude tons in 1955, compared with 17,902,000 metric crude tons in 1938, the best pre-war year for the same geographical part of pre-war Germany*) In 1955 15% of steel deliveries was for the export market.

The national German steel industry has reflected the vicissitudes of the German people during the last generation. It increased in strength particularly during the Nazi period; resulting from the fact that it gave financial support to the N.S.D.A.P. before and after the seizure of power. The plants suffered heavy bombardment during the war, underwent considerable dismemberment and dismantlement during the occupation, and revived with vigour and increased size in recent years, especially since sovereignty.

Under the later half of the Weimar Republic and the Hitler regime, the German steel industry was almost completely dominated by several concerns, i.e. Vereinigte Stahlwerke, with approximately 2/5 of total steel capacity and a small number of individuals or families like Krupp, Klöckner, Haniel, Wolff, and Flick. Furthermore there were concerns like Mannesmann and Hoesch, the shares of which were fairly widely held, and, after 1938, the state owned Reichswerke. Even apart from the political dictatorship, the German steel industry was economically more tightly controlled than that of any other large country outside of the Soviet Union.

Under the occupation, the entire German steel industry was seized, divided up in over a score of new companies - the unit usually being a single steel plant - and operated by Germans under the general supervision of an allied agency.

Parenthetically, it might be said that here was the beginning of co-determination, for the English with later unwitting American military government concurrence, introduced the union man as Arbeitsdirektor and labor and union named parity membership on the boards of directors.

The Vereinigte Stahlwerke became - on its steel side - 11 companies of which 7 in 1955 had each a production of more than 300,000 metric tons annually. Some of these 11, however, are under the control of the same persons, as for example the Thyssen heirs; so there are really only half a dozen or so independent Vereinigte Stahlwerke successor companies. In the fiscal year 1954/1955 the successor companies to the Vereinigte Stahlwerke accounted for over 45% of the total German steel production.

Before 1945, the German steel industry had been integrated vertically as well as horizontally, and coal especially was in good internal supply. Under the occupation the steel mills were cut off from their own independent source of raw materials. The reconcentration movement of the last few years has, however, provided a relatively stable equilibrium, and the German steel industry is mainly concerned with insufficient coal supply. As a result much American coal, - 3 to 4 million tons a year - particularly for metallurgical purposes, has to be imported. American coal with its favorable mining possibilities is, of course, in spite of many times the German wages, cheaper than German coal at the pithead, but skyrocketing ocean freight rates at the present time - it costs much more to transport the coal than to mine and prepare it - have shot up the price in Germany. Scrap - over the loud protests of the American steel industry, for such exports cause the price to rise at home too - is also imported from the United States in considerable quantities.

There are 15 steel companies in the Federal Republic that produced over 300,000 metric tons of crude steel each in the year 1954/1955. Together, these companies represented 89.8% of the total production in the Federal Republic. The biggest producer, Dortmund-Hörder Hüttenunion, a former unit of the Vereinigte Stahlwerke accounted for 12.5% of the total, the second largest for 11.0%, the third largest for 8.9%, the fourth largest for 8.2%, and the fifth largest for 7.6%, giving these five companies together 48.2% of the total.

*) Germany as a whole pre-war produced in its best year, 1938, 22,626,000 metric tons of crude steel. And this record too has been exceeded for the same areas in 1955. To the 21,336,000 tons of Western Germany must be added 3,165,000 tons produced in the Saar, approximately 2,500,000 produced in the Soviet Zone of Germany (DDR), plus an unknown part of the Polish steel production.

There is a considerable amount of foreign and state owned property in the German steel industry. 40% of the shares of the largest company, Dortmund-Hörder Hüttenunion, is owned by the Dutch steel concern Hoogovens; and the Swede, Werner Gren, possesses a majority of the Bochumer Verein shares. The Federal Republic is sole owner of the former Reichswerke - now part of a huge complex covering coal, iron ore, chemicals, etc. It also owns 25% of Ilseder Hütte. Until some time ago the Bavarian state owned 26% of the Maximilianshütte which it has resold to the Flick group which now again is sole owner.

On the other hand, several German steel companies have lately expanded into foreign lands. Thus Mannesmann, for example, has several subsidiaries in the United States (there is a plastics plant in Luxembourg too), a steel plant in Brazil, an asbestos plant in South Africa, steel tube plants in Canada, Brazil, the Saar, and elsewhere, plus numerous other subsidiaries all over the world.

In Germany proper, the modernization program, especially during the last six years, has been terrific; so that today, in spite of war damage and dismantling, German steel production facilities on the average compare favorably with those of any other country except the United States, and perhaps Russia.

Except for times of peak production, as at present, Germany is largely self-sufficient in coal; it imports much iron ore particularly from Sweden, North Africa, Spain, Brazil, and Newfoundland and must also import a large part of its scrap needs.

The steel industry is concentrated in the Ruhr valley and adjacent areas. Only a relatively small part, such as Ilseder Hütte and Salzgitter iron ore, the Maximilianshütte are located elsewhere.

In 1955, 53.2% of German steel was open hearth, 41.9% Thomas, 4.3% electric, and 0.6% Bessemer.

B. The 15 largest companies in 1955.

Production Facilities. As indicated, reconcentration began shortly after the end of occupation controls. Then too, considerable pressure is being built up to release Krupp and the Thyssen heiresses from certain divestiture commitments. Today practically all of the larger steel producers in Germany, except the Vereinigte Stahlwerke, have about regained their old form. It does not always become clear from this listing because an effort was made to use that corporate structure which gave the desired information; hence the steel operating company might be chosen rather than the holding company which included a coal or iron ore mine or a completely owned steel operating company. At any event existing intercorporate relationships make up for all possible deficiencies resulting from decartelisation. In a practical sense then the normal large German unit is a fully integrated one. Several have become international in scope.

Production. ~~Ten~~ 9 of the 15 are in Germany referred to as "millionaires" that is, each has an annual production in excess of one million tons.

Number of Employees. This figure is often distorted by inclusion of coal miners. So low is the productivity in the German mining industry, mostly because of geological considerations, that it is not unusual for a company to have as many coal and iron ore miners as steel workers. At Ilseder Hütte 7,400 miners are employed to 5,750 steel workers.

Largest Shareholdings. 2 of the 15 largest companies are each 100% owned by a single person or family. 3 additional companies each have a single person or single family dominant owner. And finally the state owns one of the largest complexes - here, however, only one steel operating subsidiary of the concern is listed.

Sales or Gross Revenues. Three of the 15 companies had a revenue of over one billion marks each, that is roughly over a quarter billion dollars or 100,000,000 pounds sterling. Again, in some cases these figures do not include certain subsidiary operations.

Labor Costs. These include all social charges, voluntary as well as those required by law. As to pensions, the figure used is the total of the actual payments and the "set aside" which latter normally is many times the size of the former.

Percentage Labor Costs to Sales. On an average weighted basis for the 12 companies for which information on these two points are available for 1955, labor costs represented 18.2% of sales.

Material Costs. No information whatever available.

Net Profits. For the larger part of the German steel companies this figure is meaningless as a result of the depreciation policies permitted under German law. What are therefore most profitable companies would in 1955 show a bookkeeping loss . There is also considerable evidence that many companies show as profits a figure which for various reasons may appear the most desirable to them.

Percentage Net Profits to Sales. This figure like that of Net Profits itself is meaningless. Nevertheless on an average weighted basis it comes out 1.5%.

Interest on Debt. This figure is very seldom clearly shown.

Dividends Paid. What has been said above to Net Profits applies equally well here. Curiously enough the Dividends Paid on several occasions turn out to be exactly an integral percentage figure of the invested capital and this integral percentage figure of the invested capital turns out to be exactly the Net Profits down to the last Pfennig.

Ratio Labor Costs to Dividends. For the reasons stated above this also is meaningless but on the weighted basis it turns out to be 19.2 : 1.

Reinvested Profits. Above explanation applies also equally well.

Ratio Dividends to Reinvested Profits. The German companies often pay 100% of their profits as dividends. The ratio of Dividends to Reinvested Profits in 1955 was on a weighted basis 1.8 : 1.

Ratio Labor Costs to Reinvested Profits. The above limitations also apply here. The average on a weighted basis of Labor Costs to Reinvested Profits was 33.9 : 1.

Depreciation. In principle depreciation in Germany can be written off only once either for taxes or for balance sheet purposes. The one exception was during the currency reform of 1948 when in order to encourage investment the German industry was permitted to re-evaluate in part its equipment and to write off the remaining value once more.

Mention can be made of the two most important normal kinds of depreciation, i.e. direct depreciation and depreciation on re-evaluation. Normal depreciation is in general preferred. Here the equipment value stated in the balance sheet from year to year is reduced by the amount of the depreciation. The value of the equipment remains the same on the asset side of the balance sheet while the depreciation is listed on the debit side under the title of re-evaluation.

The amount of the depreciation depends upon the estimated life of the equipment. There are, however, exceptions to this rule, for example, when from the economic political standpoint it seems desirable. The two most important such exceptions : § 36 of the "Encouragement of Investment Law" and § 7 c of the income tax law. The investment law permits accelerated depreciation which thereby reduces the stated profits. This is considered as an economic and politically desired effect which is justified by the assertion that the German steel industry could take full advantage of the economic possibilities of free prices on the domestic market only after its release from price control in August of 1952 and therefore the German steel industry fell behind the other industries in investment possibilities. Very considerable advantage is taken of this "Encouragement of Investment Law", in fact so extensive use is made of this privilege that several management boards are beginning to worry now how they will be able to get around the future higher stated profits without increased taxes. Since, as is stated above, equipment can be written off only once, accelerated depreciation under the "Encouragement of Investment Law" means lower stated profits now and therefore lower taxes now. But in the future because the equipment shall have been written off before the end of its useful life, stated profits and therefore taxes will naturally be higher than would have been the case had there been no accelerated depreciation.

Under section 7c of the income tax law loans without interest for housing construction can be deducted from income taxes. This is a regulation which applies to all industry while the investment law is limited to steel, coal, iron ore, gas, water, and electricity. The possibilities under section 7c are also extensively used by the steel industry. This appears in the balance sheet and the profit and loss statement as re-evaluation.

Percentage Depreciation to Sales. On a weighted average basis Depreciation in all its forms represented 9.3% of Sales or Turnover.

Ratio Labor Costs to Depreciation. On an average weighted basis Labor Costs bore a ratio of 2.0 : 1 to Depreciation.

Corporate Taxes on Income. The law requires stock companies only to state certain taxes in their profit and loss statement. These are income taxes, taxes on the costs of doing business, and property taxes. The companies, however, sometimes mention additional taxes. As a result it is not always possible to differentiate between them. Corporate taxes on income are therefore only mentioned when they are clearly discernible.

Net Worth. On the debit side of the German steel companies' balance sheets there is an item which strikes the eye immediately as something out of place. It is variously described as "Rückstellungen für Ruhebezüge", "Rückstellungen für Pensionen", "Rückstellungen für Altersversorgung", and the like but they all mean the same. It is money "set aside" for pensions for the firms' employees. That the companies have installed private supplementary non-contributory (i.e. paid for entirely by the employer) pensions is indeed laudable. But the method chosen to carry out this program raises considerable doubts, not only on the basis of accounting procedure but also for reasons of a social nature.

There is no exact indication that the money has really been set aside, and not only on the books. Evidently everything goes into the pot for the self-financing of investments. There is no actually independent and financially seperated pension trust fund. These monies are considerable. It is not at all uncommon for this pension "reserve" to be equal to more than half the total invested capital, and in the case of one of the biggest companies, Phoenix Rheinrohr, it totals 190,000,000 D-Marks compared with an invested capital of 207,000,000 D-Marks. That is right and proper if the money were put in separate single purpose inviolable trust funds. But no such thing has happened. Instead, the money has been treated as a sort of tax free source of investment capital. It is not made clear how pensions now due are paid. One must assume that they must be paid from current profits like current wages - a highly dubious practice from the viewpoint of the employee. And what guarantee is there that pensions will continue if the company lands in financial difficulties?

But this is not all. If the money were put in a special fund, it would not, of course, rest as so many D-Marks in a box: it would be invested. The fund would have the possibility to buy shares or bonds. And then the fund would receive dividends or interest which would increase its capital and thus provide a possibility to improve the pensions. Since a worker can be expected to work 30 to 40 years before he begins drawing his pension, the "set aside" lies, as far as he is concerned, inert, while the producing enterprise gets itself a tax and interest free increase of its invested capital.

Percentage Profits to Net Worth. Within the limitations described above under section Profits the percentage of Profits to Net Worth on an average weighted basis was 4.5%.

Percentage Dividends to Net Worth. No average could be drawn here because several of the largest dividend payers do not clearly state their Net Worth.

Salaries of Highest Paid Officers. As a rule the annual report gives the combined money payments to the board of officers (Vorstand) usually consisting of from 3 to 5 persons, as well as the money payments to the board of directors (Aufsichtsrat). Yet it is not clear what each man received. Often pension payments to former executive officers or their survivors would be included in these amounts. It is simpler as far as members of the board of directors are concerned; but here too there is no uniformity. Sometimes many of the same persons would sit on several boards of the same complex or concern.

A greater difficulty for purposes of comparison is that German companies provide their officers with many services and appurtenances, which in many cases are worth considerable sums of money. Thus the various Direktoren

(members of the board of officers) may be furnished with villas and grounds and maintenance. Naturally, cars and chauffeurs are provided. There are in addition, especially for members of the board of directors, bonuses, usually based upon dividend payments, and several forms of gifts, and allowances. And these, of course, are not always included in the reported payments on balance sheet and the profit and loss account. There was a time, however, when the German steel directors reported on their total income. That was in the "Fragebogen", a questionnaire, which they had to fill out for the allies. It may not be without interest to note what some of these steel directors earned under Hitler. Wilhelm Zangen, who was and now again is top man in Mannesmann, drew in 1939, 558,000 RM. Dr. Hermann Kellermann, now vice-chairman of the Oberhausen board of directors, drew 435,000 RM from this company - then called Gutehoffnunghütte - in 1944. And Julius Lamarche, now member of the board of directors at Gussstahlwerke Bochumer Verein, drew 419,000 RM salary from the Vereinigte Stahlwerke in 1943. And it should be remembered that the RM was worth more than the DM. No such salaries are reported today, however.

Under the co-determination laws, union-named men occupy one of the three to five places on the board of management - the Arbeitsdirektor, or a sort of vice-pre sident in charge of labor relations. As has been mentioned before there is parity membership of representatives of employees and employers on the boards of directors, among these representatives from the metal workers union and the German Federation of Trade Unions (DGB). Often a union representative is chairman but in any case one is at least vice-chairman. The Arbeitsdirektor is a full time man, and he is no longer a union officer - (some never were). Union members of the company boards of directors continue to hold their union posts, for being a member of a board of directors is not a full time job. In fact, most of the top union officers have several company directorships each. This applies not only to the metal workers union, but to the German Federation of Trade Unions as well.

The union was aware that there might be some criticism of union officers accepting money or bonuses from companies with which it directly or indirectly bargains collectively. It was therefore decided to ask union men who have been appointed members of company boards to make a contribution to a Codetermination Foundation.

Contributions to be made to the foundation are different for the different kinds of boards. Union members of boards of directors are requested to contribute a minimum of 20% of the net amount they receive from the companies in the form of bonuses. Nothing is said about the other payments. Full time Labor Directors (Arbeitsdirektoren) are asked to contribute on the following basis:

Salary	Contributions
DM 24,000	DM 1,000
30,000	1,500
36,000	2,000
42,000	2,500
48,000	3,000
54,000	3,500
60,000	4,000
66,000	4,500
72,000	5,000

In addition, Labor Directors are asked to contribute 20% of any net bonus they may receive.

And incidentally, these contributions are deductible from taxable income.

1955 (1954)

	Productive Facilities	Crude Steel Production metric tons	Steel Products shipped metric tons	No. of Employees
Dortmund-Hörder Hüttenunion A.G.	coke works & by-product plant; blast furnaces, steelworks, rolling mills (Year ending Sept. 30th)	2,529,036 (1,961,736)	1,964,405 (1,488,568)	20,752 (19,404)
Phoenix-Rheinrohr A.G. (founded 1955)	coal & iron ore mines; limestone quarries; coke works & by-product plant, blast furnaces, steelworks & rolling mills; plastic tube plant. Steel tube plants in Canada. (Year ending Sept. 30th)	2,216,256		25,465
Hüttenwerk Rheinhausen A.G.	coke works, blast furnaces, steelworks, rolling mills, cement works, by-product plant. (Year ending Sept. 30th - 1954; calendar year - 1955)	1,847,399 (1,554,027)	1,476,412 (1,218,487)	12,584 (11,961)
Mannesmann A.G.	coal & iron ore mines, refractory brick works; limestone quarries, coke works, by-product plant, steel plant & rolling mills; shipping lines; fabrication, synthetics, many foreign plants (*Recent expan. coal mines)	1,768,000 (1,438,667)		66,000* (33,300)
Klöckner-Werke A.G.	coal mines, coke works, by-product plant; blast furnaces, steelworks, rolling mills, some fabrication	1,609,974 (1,265,489)		30,000 (28,906)
Hoesch Werke A.G.	coal mines, coke works, by-product plants; blast furnaces, steelworks, rolling mills; fabrication & manuf. (Year ending Sept. 30th)	1,511,752 (1,332,715)		33,464 (30,734)
Hüttenwerke Oberhausen	blast furnaces, steelworks, rolling mills, cement works. (Year ending Sept. 30th)	1,483,510 (1,171,800)	1,080,342 (849,504)	13,590 (13,140)
August Thyssen-Hütte A.G.	coke works & by-product plant; blast furnaces, steelworks; rolling mills (Year ending Sept. 30th)	1,281,288 (869,186)	1,015,040 (579,083)	7,819 (6,789)
Gussstahlwerk Bochumerverein A.G.	blast furnaces, steelworks, rolling mills, large foundry & press shops. (Year ending Sept. 30th)	1,088,820 (823,800)	(664,000)	16,020 (14,323)
Ilseder Hütte	iron ore & coal mines, limestone quarries; coke works, by-product plant; blast furnaces, steelworks, rolling mills (**58% employees in mining)	777,992 (666,449)	630,002 (527,045)	13,193** (12,768)
Eisenwerk-Gesellsch. Maximilianshütte A.G	iron ore mines, limestone quarries, blast furnaces, steelworks & rolling mills. (Year ending Sept. 30th)	574,800 (458,000)	(329,300)	(7,814)
Hüttenwerk Salzgitter A.G.	coke works & by-product plant; blast furnaces, steelworks & rolling mills; power plant. (Year ending Sept. 30th)	570,849 (181,578)		7,977 (7,519)
Ruhrstahl A.G.	coke works & by-product plant; blast furnaces, steelworks & rolling mills; foundry. (Year ending Sept. 30th)	421,200 (339,600)	(289,200)	9,978 (8,743)
Niederrheinische Hütte	Blast furnaces, steelworks & rolling mills; fabrication of wire products. (Year ending Sept. 30th)	359,900 (318,700)		3,693 (3,271)
Hüttenwerke Siegerland A.G.	Blast furnaces, steelworks & rolling mills.	354,072		9,150

	No. of Shareholders	Largest Shareholding	Sales or Gross Revenue: Nat. currency DM	Sales or Gross Revenue: Sw. francs	Labor Costs: Nat. currency DM	Labor Costs: Sw. francs	Percentage Labor Cost to Sales %
Dortmund-Hörder Hüttenunion A.G.		40.8% Koniklijke Ned. Hoogovens	898,000,000 (671,000,000)	934,953,000 (698,611,900)	176,771,198 (149,867,800)	184,045,400 (156,034,900)	19.7 (22.3)
Phoenix-Rheinrohr A.G.	n.a.	Thyssen heiress majority	1,241,000,000	1,292,067,000	189,691,508	197,497,300	15.3
Hüttenwerk Rheinhausen A.G.	1 (1)	100% owned by Krupp	641,000,000 (487,000,000)	667,377,000 (507,040,200)	105,874,630 (90,574,249)	110,231,400 (94,301,410)	16.5 (18.6)
Mannesmann A.G.	(23,550)		2,493,000,000 (1,442,000,000)	2,595,588,000 (1,501,330,000)	482,039,127 (245,199,955)	501,875,200 (255,[illegible],000)	19.3 (17.0)
Klöckner-Werke A.G.		Dutch majority					
Hoesch Werke A.G.	(20,000)		1,517,771,500 (1,228,612,000)	1,580,220,000 (1,279,169,000)	253,353,222 (229,313,874)	263,770,300 (238,750,200)	16.7 (18.6)
Hüttenwerke Oberhausen		Henniel Family majority	589,000,000 (455,100,000)	613,237,600 (473,827,500)	104,323,631 (92,062,413)	108,616,500 (95,727,450)	17.7 (20.4)
August Thyssen Hütte A.G.		40% Thyssen heiress est.	513,000,000 (334,000,000)	534,110,100 (347,744,200)	68,194,571 (53,482,417)	71,000,800 (55,683,240)	13.3 (16.1)
Gussstahlwerk Bochumerverein A.G.		Werner Gren majority	566,631,000 (394,232,000)	589,947,000 (410,454,800)	127,199,267 (106,726,188)	132,433,500 (111,118,000)	22.4 (27.1)
Ilseder Hütte		25% state-owned	328,000,000 (291,000,000)	341,497,300 (302,974,000)	99,246,382* (91,284,546)*	103,330,410* (95,040,940)*	30.2* (31.3)*
Maximilianshütte A.G.		100% Flick group (74% Flick group 24% state Bavaria)	(172,000,000)	(179,077,800)	(46,988,313)	(48,921,900)	(27.3)
Hüttenwerk Salzgitter A.G.		100% state-owned	301,500,000 (178,000,000)	332,606,700 (196,364,800)	47,397,390 (34,758,704)	49,347,810 (36,189,030)	15.7 (19.5)
Ruhrstahl A.G.			283,200,000 (226,800,000)	294,853,800 (236,132,900)	68,167,153 (64,496,989)	70,972,260 (67,151,060)	24.1 (28.4)
Niederrheinische Hütte		70% August Thyssen Hütte	268,000,000 (203,000,000)	279,028,000 (211,353,500)	29,045,596 (24,527,604)	30,240,830 (25,536,920)	10.8
Hüttenwerke Siegerland A.G.							

* [illegible] employees are in mines and quarries

GERMANY 1955 - (1954)

	Materials Costs	Net Profits Nat.currency DM	Net Profits Sw.francs	Percentage Net Profits to Sales %	Ratio Labor Costs to Net Profits	Interest on Debt	Dividends Paid Nat.currency DM	Dividends Paid Sw.francs	Ratio Labor Costs to Dividends
Dortmund-Hörder Hüttenunion A.G.	n.a. (n.a.)	42,849,406 (553,003)	44,612,670 (575,043)	4.8 (0.1)	4.1 : 1 (271.0 : 1)	n.a. (n.a.)	9,200,000 (-0-)	9,578,583 (-0-)	19.2 : 1 (-)
Phoenix Rheinrohr A.G.	n.a. (n.a.)	14,490,000	15,086,260	1.2	13.1 : 1	n.a.	14,490,000	15,086,260	13.1 : 1
Hüttenwerk Rheinhausen A.G.	n.a. (n.a.)	1,404,747 (-0-)	1,462,552 (-0-)	0.2	75.4 : 1	n.a. (n.a.)	-0- (-0-)	-0- (-0-)	- (-)
Mannesmann A.G.	n.a. (n.a.)	28,882,984 (23,864,108)	30,071,530 (24,846,120)	1.2 (1.7)	16.7 : 1 (10.3 : 1)	n.a. (n.a.)	28,800,000 (24,000,000)	29,985,130 (24,987,610)	16.7 : 1 (10.2 : 1)
Klöckner-Werke A.G.									
Hoesch Werke A.G.	n.a. (n.a.)	18,364,426 (16,242,359)	19,120,130 (16,910,730)	1.2 (1.3)	13.8 : 1 (14.1 : 1)	n.a. (n.a.)	18,900,000 (16,200,000)	19,677,740 (16,866,630)	13.4 : 1 (14.2 : 1)
Hüttenwerk Oberhausen	n.a. (n.a.)	6,240,832 (3,292,137)	6,497,644 (3,427,361)	1.1 (0.7)	16.7 : 1 (28.2 : 1)	n.a. (n.a.)	6,240,000 (3,120,000)	6,496,778 (3,248,389)	16.7 : 1 (29.8 : 1)
August Thyssen Hütte A.G.	n.a. (n.a.)	-0- (-0-)	-0- (-0-)	- (-)	- (-)	n.a. (n.a.)	-0- (-0-)	-0- (-0-)	- (-)
Gussstahlwerke Bochumerverein A.G.	n.a. (n.a.)	16,333,731 (-0-)	17,005,870 (-0-)	2.9 (-)	7.8 : 1 (-)	n.a. (n.a.)	-0- (-0-)	-0- (-0-)	- (-)
Ilseder Hütte	n.a. (n.a.)	9,375,251 (5,868,621)	9,761,046 (6,110,117)	2.9 (2.0)	10.6 : 1 (15.6 : 1)	n.a. (n.a.)	9,201,600 (7,156,800)	9,580,249 (7,451,305)	10.8 : 1 (12.8 : 1)
Maximilians-hütte A.G.	(n.a.)	(83,749)	(87,195)	(-)	(561 : 1)	(n.a.)	(-0-)	(-0-)	(-)
Hüttenwerk Salzgitter A.G.	n.a. (n.a.)	-0- (-0-)	-0- (-0-)	- (-)	- (-)	n.a. (n.a.)	-0- (-0-)	-0- (-0-)	- (-)
Ruhrstahl A.G.	n.a. (n.a.)	2,070,000 (1,725,000)	2,155,181 (1,795,984)	0.7 (0.8)	32.9 : 1 (37.4 : 1)	n.a. (n.a.)	2,070,000 (1,725,000)	2,155,181 (1,795,984)	32.9 : 1 (37.4 : 1)
Niederrheinische Hütte	n.a. (n.a.)	2,484,000 (2,070,000)	2,586,217 (2,155,181)	0.9 (1.1)	11.7 : 1 (11.4 : 1)	n.a. (n.a.)	2,484,000	2,586,217	11.7 : 1
Hüttenwerk Siegerland A.G.									

	Reinvested Profits		Ratio Labor Costs to Reinvested Profits	Ratio Dividends to Reinvested Profits	Depreciation		Percentage Depreciation to Sales %	Ratio Labor Costs to Depreciation
	Nat.currency DM	Sw.francs			Nat.currency DM	Sw.francs		
Dortmund-Hörder Hüttenunion A.G.	63,649,406 (558,083)	35,034,090 (575,843)	5.3:1 (270 :1)	0.3:1 (-)	85,232,912 (84,430,171)	88,740,280 (87,904,510)	9.5 (12.6)	2.1 : 1 (1.8 : 1)
Phoenix Rheinrohr A.G.	-0-	-0-	-	-	90,137,263	93,846,450	7.3	2.1 : 1
Hüttenwerk Rheinhausen A.G.	1,404,747 (-0-)	1,462,552 (-0-)	75.4:1 (-)	- (-)	76,870,832 (47,425,162)	80,034,090 (49,376,720)	12.0 (9.7)	1.4 : 1 (1.9 : 1)
Mannesmann A.G.	82,984 (-0-)	86,399 (-0-)	580.8:1 (-)	347.1:1 (-)	159,251,160 (139,858,174)	165,804,400 (145,613,300)	6.4 (9.7)	3.0 : 1 (1.8 : 1)
Klöckner-Werke A.G.								
Hoesch Werke A.G.	-0- (42,054)	-0- (44,102)	- (5413 :1)	- (382.4:1)	107,717,472 (116,518,254)	112,150,000 (121,313,000)	7.1 (9.5)	2.4 : 1 (2.0 : 1)
Hüttenwerk Oberhausen	832 (172,187)	866 (179,273)	- (539 :1)	7500 :1 (18.1:1)	79,435,229 (46,661,759)	82,704,020 (48,581,910)	13.5 (10.3)	1.3 : 1 (2.0 : 1)
August Thyssen Hütte A.G.	- (-)	- (-)	- (-)	- (-)	90,240,826 (47,009,402)	93,954,270 (48,943,850)	17.6 (14.1)	0.8 : 1 (1.1 : 1)
Gussstahlwerke Bochumer Verein A.G.	16,338,731 (-)	17,005,870 (-)	7.8:1 (-)	- (-)	41,073,154 (25,999,174)	42,763,330 (27,069,050)	7.2 (6.6)	3.1 : 1 (4.1 : 1)
Ilseder Hütte	173,551 (-0-)	180,797 (0)	571 :1 (-)	53.0:1 (-)	44,649,585 (35,551,097)	46,486,930 (37,014,030)	13.6 (12.2)	2.2 : 1 (2.6 : 1)
Maximilianshütte A.G.	(83,749)	(87,195)	(561 :1)	(-)	(20,309,908)	(21,145,660)	(11.8)	(2.3 : 1)
Hüttenwerk Salzgitter A.G.	-0- (-0-)	-0- (-0-)	- (-)	- (-)	62,238,817 (47,383,251)	64,799,970 (49,333,090)	20.6 (26.6)	0.8 : 1 (0.7 : 1)
Ruhrstahl A.G.	-0- (-0-)	-0- (-0-)	- (-)	- (-)	40,359,756 (26,929,767)	42,020,570 (28,037,930)	14.3 (11.9)	1.7 : 1 (2.4 : 1)
Niederrheinische Hütte	-0-	-0-	-	-	18,022,724	18,764,360	6.7	1.6 : 1
Hüttenwerke Siegerland A.G.								

	Corporation Taxes on Income		Net Worth		Percentage Profits to Net Worth	Percentage Dividends to Net Worth
	Nat.currency IM	Sw. francs	Nat.currency DM	Sw. francs	%	%
Dortmund-Hörder Hüttenunion A.G.	n.a. (n.a.)	n.a. (n.a.)	324,824,681 (356,940,799)	338,191,300 (371,629,000)	13.2 (0.2)	2.8 (-)
Phoenix Rheinrohr A.G.	n.a.	n.a.	611,120,946	636,268,800	2.3	2.3
Hüttenwerk Rheinhausen A.G.	8,883,239 (10,330,605)	9,207,142 (11,276,280)	170,700,000 (175,000,000)	177,724,300 (182,201,300)	0.8 (-)	- (-)
Mannesmann A.G.	n.a. (n.a.)	n.a. (n.a.)	612,543,256 (593,550,976)	637,749,600 (617,975,800)	4.7 (4.0)	4.7 (4.0)
Klöckner-Werke A.G.						
Hoesch Werke A.G.	n.a. (n.a.)	n.a. (n.a.)	510,261,697 (513,219,187)	531,259,100 (534,338,300)	3.6 (3.2)	3.7 (3.2)
Hüttenwerk Oberhausen	5,184,407 (5,440,354)	5,397,747 (6,710,583)	178,122,931 (220,686,420)	185,452,700 (229,767,700)	3.5 (1.5)	3.5 (1.4)
August Thyssen Hütte A.G.	7,422,913 (5,243,200)	7,728,369 (5,458,959)	250,580,000 (271,283,544)	260,891,400 (282,446,900)	- (-)	- (-)
Gussstahlwerk Bochumer Verein A.G.	5,531,765 (4,702,202)	5,759,399 (4,926,934)	149,991,219 (150,782,398)	156,163,400 (156,987,100)	10.9 (-)	- (-)
Ilseder Hütte						
Maximilianshütte A.G.			(98,434,869)	(102,485,500)	(-)	(-)
Hüttenwerk Salzgitter A.G.					- (-)	- (-)
Ruhrstahl A.G.	3,145,279 (3,110,711)	3,274,708 (3,238,718)				
Niederrheinische Hütte			91,277,599	95,033,710	2.7	2.7
Hüttenwerke Siegerland A.G.						

GERMANY 1955 a (1954)

	Long Term Debt		Total Salaries of Executive Officers		Total Salaries, Bonus & Fees Board of Directors	
	Nat.currency DM	Sw. Francs	Nat.currency DM	Sw.francs	Nat. currency DM	Sw.francs
Dortmund-Hörder Hüttenunion A.G.	176,000,516 (134,820,849)	183,243,000 (139,848,200)	416,817 (416,817)	433,969 (433,969)	n.a. (67,505)	n.a. (70,283)
Phoenix Rheinrohr A.G.	112,731,942	117,370,900	1,022,369	1,064,390	n.a.	n.a.
Hüttenwerk Rheinhausen A.G.	106,760,360 (103,561,452)	111,153,500 (107,823,000)	450,143* (381,260)*	468,667* (396,949)*	82,400* (66,200)*	85,791* (68,924)*
Mannesmann A.G.	n.a. (n.a.)	n.a. (n.a.)	1,168,765 (707,476)	1,216,360 (736,589)	n.a. (193,725)	n.a. (201,697)
Klöckner Werke A.G.						
Hoesch Werke A.G.	n.a. (n.a.)	n.a. (n.a.)	899,841 (772,137)	936,870 (803,911)	181,500 (204,000)	188,969 (212,395)
Hüttenwerk Oberhausen	83,504,050 (67,274,073)	86,940,270 (70,042,530)	477,015 (200,093)	496,644 (208,327)	78,000** (n.a.)	81,210** (n.a.)
August Thyssen Hütte A.G.	238,500,000 (192,500,000)	248,314,300 (200,241,400)	431,504 (402,592)	449,261 (419,159)	100,000 (98,290)	104,115 (102,335)
Gussstahlwerk Bochumer Verein A.G.	113,516,548 (92,724,752)	118,187,800 (96,540,410)	520,213 (382,186)	541,620 (397,913)	n.a. (78,000)	n.a. (81,210)
Ilseder Hütte			332,036 (267,870)	345,699 (278,893)	119,000** (85,000)	123,897** (88,498)
Maximilianshütte A.G.	(39,403,543)	(41,025,010)	(396,379)	(412,690)	(n.a.)	(n.a.)
Hüttenwerk Salzgitter A.G.	157,091,369 (117,798,177)	163,555,700 (122,645,600)	328,966 (220,000)	342,503 (229,053)	36,140 (56,363)	37,627 (58,682)
Ruhrstahl A.G.			290,828 (287,587)	302,796 (299,421)	92,600 (76,760)	96,410 (79,919)
Niederrheinische Hütte	22,349,223	23,268,900	301,875	314,297	66,251 (65,000)	68,977 (67,675)
Hüttenwerke Siegerland A.G.						

* [illegible] a bonus received in holding company. ** [illegible]

GREAT BRITAIN

A. The Industry as a Whole

Great Britain produced 20,108,000 metric tons of steel in 1955, compared with 18,817,000 metric tons in 1954, and 13,434,000 metric tons in 1939, the best year prior to the end of World War II.

In 1955, 87.2% of the steel produced was Siemens-Martin or open hearth, 5.6% electric, 5.2% Thomas, 1.3% Bessemer, and the rest by other processes.

The steel industry in Great Britain is based upon domestic coal and iron ore. Indeed, the first great jump over the rest of the world in iron making came about when, as a result of the disappearance of plentiful forests, a change-over had to be made to coking coal. At the present time, however, Great Britain must import some coal, and much iron ore. Most of the imported coal comes from the USA, while the chief foreign iron ore suppliers are Sweden (32 %), North Africa, mostly Morocco (27%) and Canada (11%) and Spain (6%). In 1955, 13,017,000 metric tons of iron ore were imported, compared with a home production of 16,662,400 metric tons.

The principal steel producing districts in Great Britain are:

	%
Derbyshire, Leicestershire, Nottinghamshire, Northants and Essex	5.1
Lancashire (other than North-west coast), Denbighshire, Flintshire and Cheshire plus Yorkshire other than North-east and North-west coast)	9.0
Lincolnshire	10.1
North-east coast	20.2
Scotland	18.8
Staffs, Salop, Worcestershire and Warwickshire	5.3
South Wales and Monmouthshire	23.3
Sheffield	13.3
North-west coast	0.2

The degree of concentration of steel production was affected by the nationalisation and denationalisation laws. For example, Richard Thomas Baldwins, with approximately 9% of the steel production in 1955, was the principal founder company of the Steel Company of Wales, also with approximately 9% of steel production in 1955. These companies had a broad identity of boards of directors and a Management Board to coordinate the activities of the two companies. They also had joint sales agencies. In addition, Gust Keen & Baldwins (now Gust Keen Iron and Steel, a subsidiary of a larger company) with a steel production of somewhat lower order, had cross holdings with the two former companies. Now all that has been, or is being eliminated, so that the three companies are independent of one another.

The largest single producer is now United Steel, with 12.9% of total British production in 1955. The two largest producers accounted for 22.8%; the three largest for 32.1%; the four largest for 41.0%; the five largest for 50.0%; and the 10 largest for 72.0%. This does not include the three companies, which, though possessing fairly large steel plants, are not primarily in the steel business. These are Vickers Ltd., which owns English Steel Corp. Ltd.; Tube Investments Ltd., which owns Park Gate Iron and Steel Co. and Round Oak Steel works; and Gust Keen and Nettlefolds Ltd., which

owns Gust Keen Iron and Steel Co, John Lysaght's Scunthorpe Works and Brymbo Steel Works.

For a time, Britain possessed the only completely (99%) nationalized steel industry outside of the Communist countries (Austria has nationalized only about 80% of her steel). And, in addition to steel, Great Britain had nationalized coal as well. But the nationalization of steel became a political issue, while the nationalization of coal did not - for an obvious reason: the coal mines were no longer as profitable as they had once been. When, therefore, the Conservative Party came back into power, it repealed the Labor Party's Iron and Steel Nationalization Law of 1949. This occurred in 1953. But the clock was not simply moved back. The individual companies, to be sure, were to be returned to private hands. But, in place of the Iron and Steel Corporation, which under the nationalization law had exercised ownership rights, there was created an Iron and Steel Board, which was to exercise considerable control over the now private steel companies. And the former general secretary of the British Iron and Steel Trades Confederation is now vice-chairman of this Board. There are indeed only two other full-time executive officers.

The Board has wide powers. Under certain conditions, it can set maximum prices and does so on the basis of production costs, using well recognised accounting principles. Investment projects of more than £ 100,000 are subject to its prior approval. In addition, it oversees the supply and distribution of raw materials, as well as such matters as research, safety, job training and the like. It also looks after the various special mixed committees set up to consult on matters of the steel industry and the national interest. Finally, it gathers and prepares reports and statistics.

By the early part of January 1956, some 73% - by production - of the formerly nationalized steel industry had been sold back into private hands by the Iron and Steel Holding and Realization Agency. Two major steel producing companies - the Steel Company of Wales and Richard Thomas & Baldwins - are among those not yet returned to private hands.

Great Britain does not belong to the European Coal and Steel Community, but has signed a treaty of association with that group, providing for consultation and an exchange of information.

Great Britain exported 15%, or 3,413,760 metric tons of steel in 1955. During the same period, 1,879,600 metric ingot tons were imported. Total home deliveries of 13,783,000 metric tons of finished steel products were made to the following consuming industries in 1955:

	%
Coalmining	5.0
Shipbuilding, Ship Repairing & Marine Engineering	6.0
Mechanical Engineering	10.1
Electrical Engineering	3.2
Manufacture and Repair of Motor Vehicles, Cycles and Aircraft	10.6
Building and Constructional Engineering	10.5
Railways and Rolling Stock	7.1
Bolts, Nuts, Screws, Rivets, Nails, etc.	2.0
Drop Forgings, Laminated Springs, etc.	4.5
Wire Drawing and Wire Manufactures	6.8

	%
Hollow-ware, Metal Furniture, Windows, Springs, Needles, etc.	4.3
Other Consuming Industries	7.1
Stockholding Merchants	12.3
Unallocated:	
a) From Home Production	4.5
b) From Imports	6.1

B. The 10 Largest British Steel Companies

Productive Facilities. The coal industry having been nationalized, none of the 10 largest primary steel producers owns a coal mine. Aside from this, 5 are fully integrated, that is, possessing their own iron ore mines, coke works and blast furnaces, steel works and rolling mills. 4 of these extend into considerable fabrication and manufacture, and even other industries, such as chemicals. Nevertheless, their primary business is the manufacture and sale of steel products.

Every one of the 10 maintains fully integrated plants: that is, all processes from coking coal to finishing mills, and the units are therefore rather large.

Crude Steel Production. Six of the ten produce more than a million tons a year each.

Number of Employees. The numbers of employees are rather large; firstly, because of the numerous fabrication and manufacturing operations, and, secondly, because of extensive construction programs in effect. Nevertheless, it is obvious that these 10 companies enjoy higher productivity than their smaller neighbours. The 10 produce 72% of all British steel, yet with all their non-steel working employees, their total employment is only some 210,000, compared with a strictly steel industry total of 300,000.

Number of Shareholders. Information is available on only four companies. Two of these have not yet been de-nationalized, and are therefore subsidiaries of the Iron and Steel Holding and Realisation Agency. The other two are widely held, the one having approximately 50,000 shareholders, and the other 12,000.

Largest Shareholding. No information available.

Sales or Gross Revenues. Only three companies report on this item, which in England is called turnover. Curiously enough, the Iron and Steel Holding and Realisation Agency also omits this most vital information in its accounts. One of the two not yet de-nationalized firms on this list, however, does give its sales figures.

Labor Costs. Again only 3 companies report on this. These 3, however, are among the 4 largest, and produced 31.1% of total British steel in 1955.

Percentage Labor Costs to Sales. The weighted average for these 3 reporting companies is 20.3%.

Material Costs. Again only 3 companies report on this item. The average weighted percentage of materials costs to sales in 1955 was 59.7%.

Net Profits. For the 3 companies which also report on sales or turnover, the average weighted percentage of net profits to sales or turnover is 7.4%.

Ratio Labor Costs to Dividends. For the 3 companies that report on labor costs, the weighted average of labor costs bears a ratio of 9.4 to the weighted average of dividends.

Ratio Labor Costs to Reinvested Profits. For the 3 companies that report on labor costs, the weighted average to reinvested profits is 3.3 : 1.

Ratio Dividends to Reinvested Profits. On a weighted average for the 10 companies listed, for every £ stg of reinvested profits the company paid out £stg 0.33, or 6s 8d in dividends.

Depreciation to Sales. For the 3 companies reporting on sales or turnover, depreciation represented a weighted average of 2.4% of sales.

Ratio Labor Costs to Depreciation. For the 3 companies reporting on labor costs, the weighted average ratio of labor costs to depreciation was 8.5 : 1.

Percentage Profits to Net Worth. The average weighted percentage of profits to net worth for the 10 companies was 13.9%.

Percentage Dividends to Net Worth. The average weighted percentage of dividends to net worth for the 10 companies was 3.9%.

GRAPH [illegible] 1955 & (1954)

	Productive Facilities	Crude Steel Production metric tons	No. of Employees	No. of Shareholders	Largest Shareholder
United Steel Companies Limited	Iron ore mines, coke works, by-products plant, blast furnaces, steelworks and rolling mills, fabrication, overseas interests	2,599,944 (2,015,616)	34,785 (34,319)	not available	not available
Dorman, Long & Co. Ltd.	Limestone quarries, coke works, by-product plant, blast furnaces, steelworks, rolling mills, extensive fabrication, bridge building, engineering & chemical works, overseas int.	1,981,330 (1,909,150)	31,000	not available	not available
Colvilles, Ltd.	Coke works & by-products plant, blast furnaces, steelworks & rolling mills, some fabrication	1,879,204 (1,847,587)	17,000	50,000	not available
Richard, Thomas & Baldwins Limited	Iron ore mines & quarries, coke works & by-products plant, blast furnaces, steelworks & rolling mills, some fabrication & engineering.	1,775,968	25,500	not yet denationalised	not yet denationalised
Steel Company of Wales, Ltd.	Limestone quarry, coke works, blast furnace, steelworks & rolling mills	1,775,968 (1,583,944)	20,750 (+ 5,750 on construction)	not yet denationalised	not yet denationalised
Stewarts & Lloyds Ltd.	Iron ore mines, coke works, by-product plant, blast furnaces, steelworks, rolling mills, fabrication, overseas interests. Mostly a tube company.	1,407,160 (1,207,008)	40,000 (in England only)	not available 12,000	not available
Consett Iron Company	Quarries, coke works & by-products plant, blast furnaces, steelworks & rolling mills, brick & cement factory	898,144	6,300	not available	not available
John Summers & Sons Ltd.	Coke works & by-products plant, blast furnaces, steelworks and rolling mills	840,232	13,300	not available	not available
South Durham Steel & Iron Company	Iron ore mines, limestone quarries, coke works, by-product plant, blast furnaces, steelworks & rolling mills	800,608	9,500	not available	not available
Lancashire Steel Corporation	Coke works & by-product plant, blast furnaces, steelworks and rolling mills, fabrication and manufacture	437,000	8,500	not available	not available

GREAT BRITAIN 1955 & (1954)

	Sales or Gross Revenues		Labour Costs		Percentage Labour Costs to Sales	Material Costs	
	National Currency £ stg	Swiss Francs	National Currency £ stg	Swiss Francs		Nat. currency £ stg	Swiss Francs
United Steel Companies Limited	90,482,000 (82,486,000)	1,107,852,559	21,146,000 (18,974,000)	258,909,509 (232,315,759)	23.4 (23.0)	49,848,000 (48,904,000)	610,333,927 (598,775,686)
Dorman Long & Co. Ltd.	not available	not available	not available	not available	not available	not available	not available
Colvilles Ltd.	57,128,000 (52,416,000)	699,469,519 (641,776,262)	10,296,000 (9,086,000)	126,063,194 (111,248,075)	18.0 (17.3)	38,703,000 (37,711,000)	473,875,662 (461,729,713)
Richard Thomas & Baldwins Ltd.	74,577,000 (not av'able)	913,113,330 (not av'able)	13,726,000 (not av'able)	168,059,771 (not available)	17.5 (n...)	44,149,000 (not av'able)	540,355,941 (not av'able)
Steel Company of Wales Ltd.	not available	not available	not available	not available	not av'abl	not available	not available
Stewarts & Lloyds Ltd.	not available	not available	not available	not available	not av'able	not available	not available
Consett Iron Company	not available	not available	not available	not available	not av'able	not available	not available
John Summers & Sons Limited	not available	not available	not available	not available	not av'able	not available	not available
South Durham Steel & Iron Company	not available	not available	not available	not available	not av'able	not available	not available
Lancashire Steel Corporation	not available	not available	not available	not available	not av'able	not available	not available

GREAT BRITAIN 1955 & (1954)

	Net Profits		%	Ratio Labor	Interest on Debt		Dividends Paid		Ratio
	National Currency £ stg	Sw.francs	Net Profits to Sales	Costs to Net Profits	National Currency £ stg	Sw.francs	National Currency £ stg	Sw.francs	Labor Costs to Dividends
United Steel Companies Ltd.	6,309,372 (4,614,759)	77,985,953 (56,502,647)	7.0 (5.5)	3.3 : 1 (4.1 : 1)	209,962 (133,635)	2,570,753 (1,636,214)	2,199,214 (1,738,315)	26,926,956 (21,288,735)	9.6 : 1 (10.9 : 1)
Dorman Long & Co. Ltd.	5,789,271 (3,761,862)	70,809,792 (46,059,862)	not av'ble	Not av'able	55,449 (3,956)	678,912 (48,437)	1,224,037 (1,147,550)	14,986,986 (14,050,487)	not av'able
Colvilles Ltd.	3,585,739 (2,142,373)	43,903,430 (26,2[illegible],001)	6.3 (4.1)	2.9 : 1 (4.2 : 1)	35,014 --	428,708 --	1,165,608 (592,561)	14,271,588 (7,255,257)	8.8 : 1 (15.3 : 1)
Richard Thomas & Baldwins Ltd.	6,460,252 (6,238,692)	79,135,411 (76,324,701)	8.7 n.a.	2.1 : 1 n.a.	126,580 (150,823)	1,549,833 (1,846,168)	1,461,762 (1,398,206)	17,907,368 (17,119,494)	9.4 : 1 n.a.
Steel Company of Wales Ltd.	6,052,562 (4,085,625)	74,108,188 (50,023,984)	not av'ble	not av'ble	2,416,662 (2,407,781)	29,589,368 (29,480,630)	677,391 (647,937)	4,769,354 (4,561,979)	not av'able
Stewarts & Lloyds Ltd.	7,271,000 (6,200,000)	89,025,397 (76,928,424)	not av'ble	not av'ble	449,000 (136,000)	5,497,511 (1,665,170)	2,286,785 (1,351,203)	27,999,170 (16,543,994)	not av'able
Consett Iron Company	1,000,243 (554,393)	12,614,192 (6,787,932)	not av'ble	not av'ble	258,620 (263,667)	3,166,517 (3,228,312)	389,971 (373,016)	4,774,765 (4,567,171)	not av'able
John Summers & Sons Limited	3,697,809 (1,659,093)	45,275,604 (20,313,769)	not av'ble	not av'ble	471,963 (371,391)	5,778,668 (4,547,274)	1,144,145 (922,348)	14,008,797 (11,293,137)	not av'able
South Durham Steel & Iron Company	1,738,760 (1,457,909)	21,289,204 (17,850,492)	not av'ble	not av'ble	188,194 (129,780)	2,304,229 (1,589,013)	76,307 (73,181)	936,744 896,021	not av'able
Lancashire Steel Corporation	1,847,366 (1,050,100)	22,618,965 (12,857,932)	not av'ble	not av'ble	-- --	-- --	752,756 609,606	9,216,669 7,463,955	not av'able

GREAT BRITAIN 1955 & (1954)

	Reinvested Profits		Ratio Labour Costs to Reinvested Profits	Ratio Dividends to Reinvested Profits	Depreciation		% Depreciation to Sales	Ratio Labour Costs to Depreciation	Corporation Taxes on Income	
	National Currency £ stg	Sw.Francs			National Currency £ stg	Sw.Francs			National Currency	Sw.Francs
United Steel Companies Ltd.	5,104,729 (3,615,152)	62,501,791 (44,263,572)	4.1:1 (5.2:1)	0.4:1 (0.5:1)	2,550,207 (2,034,980)	31,224,479 (24,916,092)	2.8 (2.5)	8.1:1 9.3:1	5,657,899 (3,649,393)	69,274,750 (44,682,803)
Dorman Long & Co. Ltd.	5,079,397 (3,101,971)	62,191,629 (37,980,223)	not av'ble	0.2:1 (0.3:1)	1,746,708 (1,530,258)	21,386,518 (18,736,326)	not av'ble	not av'ble	3,802,935 (2,548,331)	46,563,368 (31,201,510)
Colvilles Ltd.	2,915,464 (1,801,625)	35,696,650 (22,038,916)	3.5:1 (5.0:1)	0.4:1 (0.3:1)	1,030,886 (935,257)	12,621,820 (11,451,193)	1.8 (1.8)	10.0:1 (9.7:1)	3,982,231 (2,290,102)	48,758,038 (28,039,780)
Richard Thomas & Baldwins Ltd.	5,622,676 (5,429,563)	68,840,483 (66,480,250)	2.4:1 n.a.	0.3:1 (0.3:1)	1,743,862 (1,569,343)	21,339,428 (19,214,878)	2.5 n.a.	7.9:1 n.a.	3,821,982 (3,540,608)	46,795,965 (43,350,850)
Steel Company of Wales Ltd.	5,663,133 (3,713,033)	69,338,334 (45,462,005)	not av'ble	0.1:1 (0.2:1)	4,193,975 (3,570,547)	51,350,610 (43,717,420)	n.a. n.a.	n.a. n.a.	5,972,609 (4,552,063)	73,128,027 (55,735,004)
Stewarts & Lloyds Ltd.	5,956,000 (5,306,000)	72,924,668 (67,414,913)	not av'ble	0.4:1 (0.2:1)	2,357,000 (1,965,238)	28,858,872 (24,062,178)	n.a. n.a.	n.a. n.a.	5,080,215 (5,322,797)	62,201,644 (65,171,794)
Consett Iron Company			not av'ble	not av'ble	1,185,336 (1,183,179)	14,513,748 (14,486,725)	n.a. n.a.	n.a. n.a.	875,345 (161,218)	10,717,637 (1,973,937)
John Summers & Sons Ltd.	2,950,309 (1,128,703)	36,123,288 (13,819,727)	not av'ble	0.4:1 (0.8:1)	1,721,769 (1,577,147)	21,081,167 (19,310,430)	n.a. n.a.	n.a. n.a.	2,382,262 (1,244,093)	29,168,178 (15,232,550)
South Durham Steel & Iron Co.	1,694,765 (1,415,827)	20,750,533 (17,335,244)	not av'ble	0.05:1 (0.05:1)	630,000 (550,168)	7,713,657 6,736,202	n.a. n.a.	n.a. n.a.	116,237 (380,665)	1,423,194 (4,660,824)
Lancashire Steel Corporation	1,414,499 (699,600)	17,318,984 (8,565,832)	not av'ble	0.5 (0.9)	525,000 480,000	6,428,048 (5,877,072)	n.a. n.a.	n.a. n.a.	1,125,111 (860,944)	13,775,747 (10,541,312)

[illegible] GREAT BRITAIN 1955 & (1954)

	Net Worth		% Profits to Net Worth	% Dividends to Net Worth	Long Term Debt		Annual Salaries of 3 Highest paid Executives or Officers	Total Salaries, Bonus & Fees, Bd. Officers & Board of Directors	
	National Currency £ stg	Sw.Francs			National Currency £ stg	Sw.Francs		Nat.Cur. £ stg	Sw.Francs
United Steel Companies Limited	46,350,233 (40,132,[illegible])	567,507,618 (491,996,193)	13.7 (11.5)	4.7 (4.3)	4,778,111 (3,369,731)	58,502,713 (41,258,649)	not av'ble	104,154 (77,619)	1,277,700 (950,359)
Dorman Long & Co. Ltd.	39,512,600 (33,104,540)	483,788,323 (405,328,677)	14.6 (11.4)	3.1 (3.5)	1,337,557 (93,737)	16,376,914 (1,147,700)	not av'ble	74,621 (69,395)	913,652 (849,665)
Colvilles Ltd.	28,113,140 (23,466,469)	344,214,512 (311,611,349)	12.8 (8.4)	4.1 (2.0)	1,000,000 --	12,243,900 --	not av'ble	82,517* (103,585)*	1,010,330 (1,268,284)
Richard, Thomas & Baldwins Ltd.	[illegible] (33,616,[illegible])	480,281,719 (411,594,078)	16.5 (18.5)	3.7 (4.2)	2,903,760 (3,593,455)	35,553,347 (43,997,904)	not av'ble	42,375* (38,971)*	518,835 (477,157)
Steel Company of Wales Ltd.	27,127,414 (21,464,281)	332,145,344 (262,806,510)	22.3 (19.0)	2.5 (3.0)	70,600,000 (67,100,000)	864,419,340 (821,515,691)	not av'ble	44,746* (48,649)*	548,086 (595,653)
Stewarts & Lloyds Ltd.	[illegible] (59,[illegible],000)	818,700,617 (726,002,051)	10.9 (10.6)	3.4 (2.3)	10,000,000 (10,000,000)	122,439,000 (122,439,000)	not av'ble	127,000*	1,554,975
Consett Iron Company	14,782,573 (11,941,730)	180,990,346 (146,218,348)	7.0 (4.6)	2.6 (3.1)	6,823,537 (6,823,720)	83,546,705 (83,548,945)	not av'ble	22,694 (21,861)	277,863 (267,664)
John Summers & Sons Limited	20,031,948 (17,422,705)	245,269,168 (213,321,857)	18.5 (9.5)	5.7 (5.3)	11,075,471 (10,831,350)	135,606,959 (132,617,966)	not av'ble	91,105 77,660	1,115,481 (950,861)
South Durham Steel & Iron Co.	10,589,678 (8,872,164)	129,658,958 (108,617,645)	16.4 (16.4)	0.7 (0.8)	5,500,000 (3,700,000)	67,341,450 (45,302,430)	not av'ble	31,468 (35,560)	385,291 (435,393)
Lancashire Steel Corporation	23,811,[illegible] (22,141,073)	291,550,437 (271,093,084)	not av'ble	3.2 (2.8)	-- --	-- --	not av'ble	33,392 35,432	408,848 433,826

* Directors only

FRANCE

A. The Industry as a Whole

The French steel industry produced 10,627,000 metric crude tons in 1954 and 12,592,000 metric crude tons in 1955, compared with 9,711,000 metric crude tons in 1929, the best year prior to the end of World War II.

A large part of the French expansion has been under the Monnet post-war steel modernization program, which in a sense was the starting impulse of the Schuman Plan. There are 46 steel-producing companies and 63 steel producing plants, of which 3 have more than 5,000 workers each, and 18 between 2,000 and 5,000 workers each.

There are 3 main steel-producing regions in France: East 1 with 31.4% of the crude steel production in 1955, and based upon Lorraine ore; East 2, with 34.8%, and also based on Lorraine ore; and the North, with 22.2%, based on coal, and a steel market. East 1 extends from the Belgian border to the Vosges mountains to Switzerland. It includes the western half of the Lorraine steel producing area. East 2 extends from the Luxembourg and Saar borders up the Rhine. The North extends from the top part of the Channel coast, along the Belgian border down to the Paris area.

The remaining 11.5% is produced in the center region, that is, mostly Creusot and the Loire, then the Alpine region and elsewhere.

In 1955, 60.1% of the crude steel in France was produced by the Thomas converter process, 31.0% by the Siemens-Martin or open hearth process, and 7.4% by electric furnaces. The small remaining amount was practically all Bessemer steel.

The largest single steel company produced 15.4% of total French production in 1955. The 2 largest accounted for 28.4%, the 3 largest for 40.9%, the 4 largest 53.0%, and the 5 largest about 59%, but this does not take into account other companies controlled by these companies.

France and the Saar combined constituted the second largest exporter of steel in 1955, having been exceeded only by the Luxembourg-Belgian Economic Union. The 4,281,000 tons of ingots, semis and finished products exported constituted approximately 25 to 30%* of the total shipments of France and Saarland steel companies. French overseas areas received 12.2% of these deliveries, or 521,000 tons, all but 21,000 tons as finished products. Shipments to other countries within the European Coal and Steel Community amounted to 35.8%, or 1,534,000 tons, while the rest was scattered.

In France, it is not the individual company, but rather the controlled financial group that is the power unit. Influence is exercised by interlocking directors and capital stock holdings. These stock holdings are not always direct, but may be exercised in a kind of chain - that is to say, one company would own a controlling interest or an important segment of the stock in another company which, in turn, owns a controlling interest or an important segment of the stock in a third company, and so on, such as e.g. Jean Raty's Saulnes interest in Longwy, of which Raty is president, and its majority interest in Lorraine-Escaut. Common administrative officers and sales organizations are not unusual. Nevertheless, so interwoven is the French steel industry that it is often difficult to distinguish ally from competitor.

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* According to the Chambre syndicale de la sidérurgie française. The ECE estimates that 42% of French-Saar steel was exported in 1955.

A study of the boards of directors and administrative officers of the more important French steel companies shows the following: there are 75 men holding 2 or more directorates each in the steel industry alone, for a total of 211 directorates. These are not only in France, but also in Belgium, Luxembourg and the Saar as well. Some of these are also top administrative officers of various companies.

Also, in recent years there have been numerous mergers, as for instance Sidelor, which brought together 4 large firms in a new complex.

In addition to these cartel-like arrangements, there is a number of cooperative ventures of a more rational sort, such as the joint securing of a source of supply of Ruhr coal through Sidéchar's purchase of the Flick-Harpener Bergbau interest, or the construction and operation of continuous strip mills, such as Sollac and Usinor. And now Usinor, Chatillon-Commentry and Firminy are combining to build a new steel plant near Dunkirk. This will be one of the largest in France.

There are several dominant steel families, of whom the de Wendels and Schneiders and Ratys are among the most important and best-known.

There are large foreign companies with steel plants on French soil, such as the Belgian firm Providence, and there are French companies with significant interests in foreign companies, e.g., Schneider's quarter ownership in ARBED, which has iron ore mines and steel mills in Luxembourg, steel mills in the Saar, coal mines in Germany and considerable stock holdings in Belgium, to mention only a part of the almost world-wide extent of this organization. Then, too, there are also interlocking directorates with foreign companies, such as Chiers in France and Cockerill-Ougrée in Belgium.

B. The Ten Largest Companies

Productive Facilities - The French coal industry having been nationalized, no French steel company owns its own coal mines on French soil. 12 French steel companies have formed a company called Société sidérurgique de participations et d'approvisionnement en charbon (SIDECHAR) which acquired 75% of Harpener Bergbau A.G. coal mine in Germany, producing approximately 4,500,000 tons per year. Indirectly French companies also have interlocking arrangements with companies in Belgium as well as in Germany, thus providing for additional coal supplies, independent of the French Government. 8 of the 10 companies have their own iron ore mines and the ninth has considerable interest in iron ore properties. The tenth company is operated privately as a continuous strip mill and belongs to a consortium of other companies.

Crude Steel Production - Several of the companies do not report on their production, and estimates had to be made for these. These estimates are only rough approximations.

Number of shareholders - No information whatever is available on this.

Largest Shareholding - 2 companies, the SOLLAC and USINOR, continuous strip mills, are owned by a consortium in the case of the former, and by 2 other steel producers in the case of the latter. A third company, UCPMI, is owned by a consortium of other companies, mostly steel consumers, including the Government-owned Renault auto plant. Most of the other companies, including Lorraine-Escaut and Chiers, Knutange and Normandie are largely owned by individuals or groups of other companies, which in turn are largely owned or controlled by families, such as Schneider, de Wendel and Raty.

Sales or Gross Revenues - 6 of the companies make this figure available.

Labor Costs - 4 companies make this figure available.

Percentage of Labor Costs to Sales - For those companies reporting on both, the average weighted percentage of labor costs to sales in 1955 was 22.1%.

Materials Costs - None of the companies reports on this.

Net Profits and Percentage of Net Profits to Sales - The weighted average for those companies reporting on both for 1955 was 1.1 %.

Labor Costs to Net Profits - The average weighted ratio for those companies reporting was 17.7:1.

Labor Costs to Dividends - The weighted average for those companies reporting on both was 19.6 :1 .

Dividends to Reinvested Profits - The weighted average for those companies reporting on both was 11.2 : 1.

Depreciation - An accelerated form of depreciation exists, but as a rule it is impossible to separate this from normal depreciation, or even to be certain that accelerated has been claimed.

Percentage of Depreciation to Sales - The weighted average percentage of depreciation to sales was 8.7 %.

Ratio of Labor Costs to Depreciation - The weighted average for those companies reporting on both was 2.3: 1.

Percentage of Profits to Net Worth - The weighted average percentage for for those companies for which a net worth figure could be calculated was 2.4 %.

FRANCE 1955 & (1954)

	Productive Facilities	Crude Steel Production metric tons	No. of Employees	No. of Shareholders	Largest Shareholding
Union sidérurgique du Nord de la France - USINOR S.A.	iron ore mines; blast furnaces, steelworks, rolling mills (continuous strip) (January 1st - December 31st 1954)	1,945,000 (1,520,000)	(16,000)	n.a. (n.a.)	Denain et d'Anzin & Nord et de l'Est steel cos.
Lorraine Escaut	ore mines; coke works, by-product plant; blast furnaces, steelworks, rolling mills; some fabrication; part ownership in coal mines (1st June 1954 - 31st December 1954)	1,627,000 (1,375,000)	27 048 (26,285)	n.a. (n.a.)	Raty family con- controls Saulnes wh. " Langwy wh. " Lor.Es.
Union sidérurgique Lorraine "Sidelor" S.A.	iron ore mines; limestone quarries, coke works; by-product plant; blast furances, steelworks, rolling mills, some fabrication (Jan. - Dec.)	1,585,000 (1,266,429)	n.a. (n.a.)	n.a. (n.a.)	Pont à Mousson holding company
de Wendel & Cie S.A.	iron ore mines, coke works & by-product plant; blast furnaces, steelworks & rolling mills; some fabrication (Jan. - Dec.)	1,520,000 (1,382,392)	(20,000)		Mostly owned by de Wendel family
UCPMI - Union de Con-t sommateurs de Produits métallurgiques et industriels S.A.	iron ore mines; limestone quarries; coke works & by-product plant; blast furnaces, steelworks, rolling mills, cement works. (Jan. - Dec.)	800,000	(8,000)		Steel consumers such as auto plants
Société Lorraine de Laminage continu - SOLLAC S.A.	coke works, steelworks, continuous strip mills (Jan. - Dec.)	700,000 est.	n.a. (n.a.)	n.a. (n.a.)	Owned by various companies - see note p. 76
Société métallurgique de Knutange S.A.	iorn ore mines; blast furnaces, steelworks & rolling mills. Part ownership in German coalmines. (Jan 1 - Dec. 31, 1954)	663,085 (529,001)	(5,500)		Schneider and de Wendel
Société Anonyme des Hauts-fourneaux de la Chiers	iron ore mines; limestone quarries; blast furnaces steelworks, rolling mills. (Jan. - Dec.)	569,000 (546,495)	(6,000)*	n.a. (n.a.)	Belgian steel co. Cockerill-Ougrée
Société métallurgique de Normandie S.A.	iron ore mines; coke works, by-product plant; blast furnaces, steelworks, rolling mills (Jan.-Dec.)	431,000 (346,850)	(5,000)	n.a. (n.a.)	Schneider
Chatillon, Commentry & Neuves-Maisons S.A.	coke works, by-product plant; steam power plant; blast furnaces, steel plants, rolling mills; some fabrication - also has considerable stock holdings in iron mines.	425,000 (415,000)			Flick interests stockholders

* Ste[illegible] only

[illegible]

	Sales or Gross Revenues		Labor Costs		Percentage Labor Costs to Sales	Materials Costs
	National currency Fr. francs	Sw. francs	National currency Fr. francs	Sw. francs	%	
USINOR S.A.	76,762,000,000* (57,425,000,000)*	959,045,400 (717,453,700)	13,018,656,566 (10,465,568,708)	162,651,800 (130,754,200)	17.0 (18.2)	n.a. (n.a.)
Lorraine Escaut	74,419,000,000 (59,632,000,000)	929,772,600 (745,027,400)	21,827,000,000** (18,980,000,000)**	272,701,100 (237,131,400)	29,3 (31,8)	n.a. (n.a.)
Sidelor S.A.	64,750,000,000 (46,711,000,000)	808,970,500 (583,595,700)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
de Wendel & Cie S.A.	75,439,820,826 (56,583,940,730)	942,526,400 (706,945,700)	15,092,418,049 (13,090,738,720)**	191,059,600 (163,552,400)	20.3 (23.1)	
UCPMI	(n.a.)	(n.a.)	(n.a.)	(n.a.)	(n.a.)	(n.a.)
SOLLAC S.A.	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Knutange S.A.	n.a. (14,100,000,000)	n.a. (176,161,900)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Soc. Anon. des Hauts-Fourneaux de la Chiers	n.a. (n.a.)	n.a. (n.a.)	5,244,000,000 (4,604,000,000)	65,517,240 (57,521,230)	n.a. (n.a.)	n.a. (n.a.)
Soc. metallurgique de Normandie S.A.	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Chatillon, Commentry & Neuves-Maisons S.A.	30,000,000,000 (22,000,000,000)	374,812,500 (274,862,500)				

* Includes taxes ** Includes 5% wage tax.

A C E 1955

	Net Profits		Percentage Net Profits to Sales	Ratio Labor Costs to Net Profits	Interest on Debt	
	Nat. currency Fr. francs	Sw. francs	%		Nat. currency Fr. francs	Sw. francs
USINOR S.A.	1,052,631,600 (694,736,842)	13,151,310 (8,679,870)	1.4 (1.2)	12.4 : 1 (15.1 : 1)	1,809,941,518 (1,892,985,472)	22,612,960 (23,650,490)
Lorraine Escaut	976,614,958 (769,384,865)	12,226,573 (9,612,504)	1.3 (1.3)	22.3 : 1 (24.7 : 1)		
Sidelor S.A.	469,703,208	5,868,355	0.7	n.a.	n.a.	
de Wendel & Cie S.A.	559,016,034 (431,825,607)	6,984,208 (5,395,122)	0.7 (0.8)	27.4 : 1 (30.3 : 1)		
UCPMI S.A.	(226,154,885)	(2,850,510)	(n.a.)	(n.a.)	(27,424,774)	(34,264)
SOLLAC S.A.	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Knutange S.A.	165,500,000 (203,765,500)	2,067,716 (2,545,795)	(1.4)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Soc. Anon. des Hauts-Fourneaux de la Chiers	543,885,940 (432,226,864)	6,795,176 (5,400,135)	n.a. (n.a.)	9.6 : 1 (10.7 : 1)		
Soc. métallurgique de Normandie S.A.	562,636,741 (273,497,587)	7,029,444 (3,417,011)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Chatillon, Commentry & Neuves-Maisons, S.A.	(424,233,498)*	(5,300,268)				

* About half from portfolio dividend

FRANCE 1955 (1954)

	Dividends paid		Ratio Labor Costs to Dividends	Reinvested Profits		Ratio Dividends to Reinvested Profits
	Nat. currency Fr. francs	Sw. francs		Nat. currency Fr. francs	Sw. francs	
USINOR A.G.	1,000,000,000 (660,000,000)	12,493,750 (8,245,877)	13.0 : 1 (10.5 : 1)	52,631,600 (34,736,842)	657,566 (433,993)	19.0 : 1 (19.0 : 1)
Lorraine Escaut	910,000,000 (720,000,000)	11,369,315 (8,995,502)	24,0 : 1 (26.4 : 1)	54,930,647 (43,069,075)	686,290 (538,094)	16,6 : 1 (16.7 : 1)
Sidelor S.A.	750,000,000	9,370,314	n.a.	negative	negative	-0-
de Wendel & Cie S.A.	500,000,000 (391,095,890)	6,245,876 (4,886,255)	30.6 : 1 (33.5 : 1)	31,238,257 (24,063,051)	390,283 (300,633)	16.3 : 1 (16.3 : 1)
UCPMI S.A.	(201,000,000)	(2,518,740)	(n.a.)	(31,835,446)	(39,774)	(6.3 : 1)
SOLLAC S.A.	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Knutange S.A.	235,092,000 (188,438,777)	2,937,181 (2,354,307)	n.a. (n.a.)	8,772,000 (11,803,303)	(147,467)	- (16.0 : 1)
Soc. anon. des Hauts-Fourneaux de la Chiers	420,257,309	5,250,590	12.5 : 1	100,266,708	1,252,707	4.2 : 1
Soc. métallurgique de Normandie S.A.	420,000,000 (252,600,000)	5,247,376 (3,155,922)	n.a. (n.a.)	128,998,444 (10,897,587)	1,611,674 (136,151)	3.3 : 1 (23.2 : 1)
Chatillon, Commentry & Neuves-Maisons S.A.	187,997,828 *	2,348,798		**		

* Stock purchase plan instead of dividends ** Cannot be clearly shown because of capital reevaluation

[illegible] 1955 & (1954)

	Depreciation		Percentage Depreciation to Sales	Ratio Labor Costs to Depreciation	Corporation Taxes on Income	
	Nat. Currency Fr. francs	Sw. francs			Nat. currency Fr. francs	Sw. francs
			%			
USINOR S.A.	8,979,651,681 (8,966,169,234)	112,189,550 (74,539,840)	11.7 (10.4)	1.4 : 1 (1.8 : 1)		
Lorraine Escaut	6,919,000,000 (4,906,839,802)	86,444,270 (61,304,840)	9.3 (8.2)	3.1 : 1 (3.9 : 1)		
Sidelor S.A.	5,182,177,421 (3,615,728,247)	64,744,840 (45,174,010)	8.0 (7.7)	n.a. (n.a.)		
de Wendel & Cie S.A.	6,362,539,107 (3,151,453,377)	79,491,990 (39,873,230)	8.4 (5.6)	2.4 : 1 (4.1 : 1)		
UCPMI S.A.	(1,560,000,000)	(19,490,250)	(n.a.)	(n.a.)	(1,889,363,579)	(23,605,240)
SOLLAC S.A.	(76,371,789)	(95,417)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Knutange S.A.	1,807,000,000	22,601,190	(3.9)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Soc. Anon. des Hauts-Fourneaux de la Chiers	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)		
Soc. métallurgique de Normandie S.A.	2,280,000,000 (1,364,608,000)	28,485,750 (17,049,070)	n.a. (n.a.)	n.a. (n.a.)		
Chatillon, Commentry & Neuves-Maisons, S.A.	590,535,981	7,378,010				

FRANCE 1955 & (1954)

	Net Worth		Percentage Profits to Net Worth	Percentage Dividends to Net Worth	Long Term Debt	
	Nat. currency Fr. francs	Sw. francs	%	%	Nat. currency Fr. francs	Sw. francs
USINOR S.A.	29,762,633,498 (29,612,805,479)	371,846,900 (369,975,000)	3.5 (2.3)	3.4 (2.2)	28,989,211,578 (26,440,571,011)	362,184,000 (330,341,900)
Lorraine Escaut	51,994,917,924 (50,615,397,330)	649,611,600 (632,376,200)	1.9 (1.5)	1.8 (1.4)	20,955,754,201 (17,398,975,899)	261,816,000 (217,378,500)
Sidelor S.A.	41,276,382,020	515,696,900	1.1	1.8	20,674,541,203 (22,105,875,262)	258,302,600 (276,185,300)
de Wendel & Cie S.A.	27,532,989,240 (27,265,292,429)	343,990,300 (340,645,800)	2.0 (1.6)	1.8 (1.4)	17,126,800,910 (12,729,991,025)	213,978,000 (159,045,300)
UCPMI S.A.			(n.a.)	(n.a.)	(4,331,881,188)	(54,121,450)
SOLLAC S.A.	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)	(98,065,794,418)	(1,225,209,800)
Knutange S.A.					6,809,959,035	85,081,940
Soc. Anon. des Hauts-Fourneaux de la Chiers	13,939,109,508	174,151,700	3.9	3.0	3,384,476,137 (2,156,989,209)	42,284,800 (26,948,890)
Soc. métallurgique de Normandie S.A.	11,907,435,876	148,768,500	4.7	3.5	6,612,914,188 (7,879,028,609)	82,620,110 (98,438,630)
Chatillon, Commentry & Neuves-Maisons, S.A.	11,526,532,341 (9,321,440,949)	144,009,600 (116,459,780)			6,112,548,706 (11,729,062,481)	76,368,670 (146,540,000)

Salaries, Bonus and Fees, Board of Officers and Board of Directors

(Bonus to Board of Directors only)	Year	French francs	Sw. francs
Lorraine-Escaut	1954	6,315,790	78,907
de Wendel	1955	27,777,777	347,049
	1954	16,666,666	208,229
Soc. anon. Hauts-Fourneaux Chiers	1955	23,361,923	291,878
Soc. métallurgique de Normandie	1954	6,046,276	75,540

N o t e s

de Wendel	Owns 45% of SOLLAC.
UCPMI	The "consumers" are auto manufacturers and other steel users.
SOLLAC	The largest shareholders include J.J. Carnard & Forges de Basse-Indre; Forges & Aciéries de Dilling; Forges de Guegnon; Lorraine-Escaut; de Wendel & Cie; Sidelor; UCPMI. The company gets some steel (crude or as slabs) from participating firms. It does not even give a profit and loss statement. The capital amounts to only 6,700,000,000 French francs.
Knutange S.A.	This company has a total of 1,807,000,000 depreciation, including special depreciation. That leaves net profits of only 165,500,000. So it dips into reserves to the extent of 78,000,000 to pay a dividend of 235,092,000 francs.
Chatillon, Commentry & Neuves-Maisons, S.A.	This company owns majority stock in: Société des mines de fer de Giraumont; Société Pinguely-Ville-Gozet, and Société des mines du Bourbonnais. It owns stock in other mines as well.

JAPAN

A. The Industry as a Whole

Japan in 1955 produced 9,408,000 metric tons of crude steel, in comparison with 7,749,916 tons in 1954, and 7,650,000 in 1943, the high point prior to the end of World War II.

The Japanese steel industry is concentrated in five main areas: the Kobe - Osaka, the Tokyo and the Kamaishi areas on the main island of Honshu; the Muroran on the immediately northern island of Hokkaido; and the Kokura-Yowata area of the south-western island of Kiushu.

Japan has comparatively little iron ore and coal; and only a small part of the domestic coal is of coking quality. As a consequence, Japan has always had to import much ore and coal. The closest sources of these raw materials are of course on the mainland of Asia. This fact has had a strong effect upon the history of that part of the world. And in turn the Japanese steel industry's ability to obtain raw materials from the closest sources were affected by recent events over which it had no control. New sources had to be found on the islands to the south and in the United States. Unfortunately, the best American coking coals are available in quantity on the eastern rather than the western seaboard. In 1955, Japan's main sources of iron ore were Malaya and the Philippines, each with approximately 1,600,000 tons; India with 1,330,000 tons; and North America with 720,000 tons. China, which at one time supplied as much as half of Japan's needs in iron ore and an important part of the coking coal before 1945, again began to supply both on a smaller but nonetheless significant scale a few years after the surrender, was virtually lost as a source of these raw materials after Chinese intervention in the Korean war.

Steel scrap, which before the war was mostly imported from the United States, was in good supply for the first post-war period from war damage and obsolete stocks. Now that has been almost used up and Japan must seek elsewhere for scrap.

The Japanese steel industry is mostly open hearth. In 1954, production by various processes was: open hearth 82.1%, electric 13.2%, and Thomas converter 4.7%.

Japan, like Germany, was placed under occupation control for some years after the surrender. There was some similarity of treatment, especially in regard to decartellization. The Japan Iron and Steel Co. was dissolved, and recreated into smaller, but still large units. But Japan's main recovery problems were supply of raw materials rather than war damage and post-war dismantling as in Germany. The Japanese upswing has continued at an accelerated pace during the past two years. One important contributing factor is the phenomenal increase in shipbuilding.

Production of Japanese steel is largely concentrated in 5 companies, the largest of which accounted for 22.1%* of the total in 1955; the 2 largest for 40.2%; the 3 largest for 51.4%; the 4 largest for 59.0%, and the 5 largest for 62.6%.

In 1954 18.9% of the Japanese steel production was exported. In 1954 the biggest customer was India. In 1950 the biggest customer was China, but trade with China ceased in 1951.

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* For these percentages, the total steel production for the fiscal year, instead of for the calendar year, is used as a base; for company steel production, figures are given for the fiscal year. Total fiscal year production 9,790,000 t.

B. The Five Largest Companies

Productive Facilities - Japan is short of iron ore and suitable coking coal.

Crude Steel Production - 3 of the companies have over one million tons annual production each.

Labor Costs - This is low for two reasons. Firstly, wages as such are low in Japan. For these companies, the average of all workers in plant and office is between 22,000 and 23,000 yen or 275 Swiss francs per month. Secondly, the figures given are for wages and salaries only, without taking into account any of the various fringe benefits, either in the form of supplemental wages such as summer and winter bonuses, or other social charges.

Percentage Labor Costs to Sales - Not to be compared with other countries, for the reasons stated above.

JAPAN 1955

	Productive Facilities	Crude Steel Production metric tons	No. of employees	No. of shareholders	Largest Shareholding
Yawata Iron & Steel Co. Ltd.	coke works & by-product plant; blast furnaces, steelworks & rolling mills (Year ending Sept. 30)	2,166,821	35,971	91,303	Nippon Kogyo Bank, 5,760,000 out of 192,000,000 shares
Fuji Iron & Steel Co. Ltd.	coke works & by-product plant; blast furnaces, steelworks & rolling mills (Year ending Sept. 30)	1,769,704	22,847	74,995	Nippon Kogyo Bank, 4,643,800 out of 168,000,000 shares
Nippon Steel Tube Co. Ltd.	coke works & by-product plant; blast furnaces, steelworks & rolling mills; ship building & repair; brick & machine works	1,090,459	25,316	87,307	Mitsubishi Trust Co 8,649,000 out of 100,000,000 shares
Kawasaki Steel Corporation	blast furnaces, steelworks & rolling mills (Year ending Oct. 31)	753,963	15,745	61,356	Kawasaki Trading Co 4,225,200 out of 80,000,000 shares
Kobe Steel Works, Ltd.	steel works and rolling mills	350,000 est.	8,386	56,415	Fukoku Life Ins. 2,000,000 out of 72,000,000 shares

	Sales or Gross Revenues		Labor Costs		Percentage Labor Costs to Sales
	Nat. currency yen	Sw. francs	Nat. currency yen	Sw. francs	
Yawata Iron & Steel Co. Ltd.	79,477,168,000	965,653,700	9,667,278,120*,**	117,458,180	12.2*
Fuji Iron & Steel Co. Ltd.	66,643,820,000	809,727,500	5,863,271,280*	71,239,200	8.8*
Nippon Steel Tube Co. Ltd.	53,308,000,000	647,696,300			
Kawasaki Steel Corporation	28,470,279,000	345,916,100	4,341,463,320*	52,749,110	15.2*
Kobe Steel Works Ltd.	22,570,823,000	274,237,200	2,279,717,280*	27,698,740	10.1*

* Wages and salaries only. Fringes, such as summer and winter bonuses, not included.
** Income tax on behalf of workers may be included

JAPAN 1955

	Net Profits		Percentage Net Profits to Sales	Ratio Labor Costs to Net Profits
	Nat. currency yen	Sw. francs	%	
Yawata Iron & Steel Co. Ltd.	2,311,362,000	28,083,220	2.9	4.2 : 1*
Fuji Iron & Steel Co. Ltd.	2,180,753,000	26,496,310	3.3	2.7 : 1*
Nippon Steel Tube Co. Ltd.	1,966,149,000	23,888,860	3.7	
Kawasaki Steel Corporation	977,940,000	11,882,047	3.4	4.4 : 1*
Kobe Steel Works Ltd.	466,443,000	5,667,318	2.1	4.9 : 1*

	Dividends Paid		Ratio Labor Costs to Dividends	Reinvested Profits		Ratio Dividends to Reinvested Profits
	Nat. currency yen	Sw. francs		Nat. currency yen	Sw. francs	
Yawata Iron & Steel Co. Ltd.	624,000,000	7,581,648	15.5 : 1*			
Fuji Iron & Steel Co. Ltd.	578,000,000	7,022,744	10.1 : 1*	1,602,753,000	19,473,570	0.4 : 1
Nippon Steel Tube Co. Ltd.	750,000,000	9,112,558				
Kawasaki Steel Corporation						
Kobe Steel Works Ltd.	432,000,000	5,248,833	5.3 : 1*	34,443,000	418,485	12.5 : 1

* Wages and salaries only. Fringes, such as summer and winter bonuses, not included.

BELGIUM

A. The industry as a whole

The Belgian steel industry produced 4,994,000 metric crude tons in 1954, 5,892,000 metric crude tons in 1955, compared with 4,135,000 metric crude tons in 1929, the best year prior to the end of World War II.

In 1955, 83.5% of the crude steel in Belgium was produced by the Thomas converter process; 10.9% by the Siemens-Martin or open hearth process; 3.8% by electric furnaces. The samll remaining amount was scattered.

The Belgian steel industry is based on coal and is concentrated in seven large companies. There have been two giant mergers in the last few years. In 1955, the largest company produced 33.6% of the total Belgian steel; the two* largest companies produced 51.0% of the total; the three largest companies produced 61.7%; and the 5 largest companies produced 76.5%. This, however, does not fully show the degree of concentration in Belgium; for there are also associations among the various individual companies. The largest, for example, Cockerill-Ougrée, has substantial interests in other Belgian companies. Among these are Hainaut-Sambre with over a million tons of annual steel production (though this of course is affected by Flick's recent purchase of shares), Aciéries et Minières de la Sambre with approximately 300 000 tons annual capacity, and Thy-le-Chateau, also 300 000 tons annual capacity. If these participations are added to Cockerill-Ougrée, then the combined production of this single group exceeds 60.0% of the total annual production of Belgium. But that is not all. Cockerill-Ougrée also has important interests (though not majorities) in foreign steel companies. Chiers, for example, in France with 560,000 tons annual production and Hadir with 864 000 tons annual production in Luxembourg and the Saar.

Cockerill-Ougrée itself is controlled by the Count de Launoit family and the most powerful financial institution in Belgium: the Banque de Bruxelles, the Société de Bruxelles pour la Finance et l'Industrie, - BRUFINA; the Compagnie Financière et Industrielle,- CONFININDUS; and the very strong Société Générale de Belgique. And these in turn control a substantial part of Belgian industry, including steel, coal, and manufacturing. And, of course, there are also international holdings. The Société Générale owns 10.0% of the capital stock of Cockerill-Ougrée; 38.0% of Providence (with more than a million tons of steel capacity in Belgium and France), 7.0% of Hainaut-Sambre; 16.0% of ARBED, the largest individual Western European steel company; and 15.0% of Hadir. In addition it owns huge blocks of shares in fourteen coal companies, six electrical and manufacturing companies, three glass companies, two chemical companies, five non-ferrous metal companies, two electrical transport companies, 1 paper company, 2 textile companies, plus a wide variety of other companies, including many in the colonies, including some of the world's most significant mines.

Similar impressive lists of holdings can be set up for the other financial power groups, the Banque de Bruxelles, CONFININDUS, and BRUFINA.

Belgian steel is dependant upon exports. The Belgian-Luxembourg Economic Union (there are no published figures for Belgium alone) in 1955 exported 5 558 000 metric tons of steel products out of a total crude steel production of 9 189 000 metric tons. Most of these exports were in rolled products. The percentage of export is, of course, higher - it totaled 70% - than these figures

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*) A part of the second largest company's production was in France, and that part is not included in these percentages.

would indicate for the somewhat over nine million tons of crude steel were rolled into considerably fewer tons of semis and finished products and it was mostly these semis and finished products which were exported.

B. The seven largest Belgian Steel Companies

Although seven Belgian steel companies belong on the list of the 100 largest steel companies of the free world, practically no information whatever is available for the Gustave Boel firm, except that it has an annual production of over 300,000 tons, and a few financial details are also reported.

Productive Facilities

The two biggest firms are fully integrated. But practically all of the others are provided with firm sources of raw materials by means of the financial arrangements discussed above.

Crude Steel Production

Three companies produce more than one million tons of steel a year each - though one produces only 600,000 tons of its total in Belgium.

Number of Employees

One company is one of the largest employers in the free world. Little information is available concerning the others.

Number of Shareholders

No information available

Largest Shareholding

Discussed above.

Sales or Gross Revenue

Not a single company reports on the indispensable information.

Labor Costs

Three companies report, but since none reports on sales, it is impossible to make anything of significance out of it.

Material Costs

No information whatever available.

Net Profits and Percentage of Profits to Net Worth

Profits as a percentage of net worth ranged from 3.8% to 10.5%.

Dividends and Reinvested Profits

One company - the 6th on the list - reinvested a greater share of its profits than it paid out in dividends. And one - the 3rd on the list - reinvested an infinitesimal proportion of its profits. All the rest seem to have paid dividends of between 1.5 to twice the reinvestment from profits.

Depreciation

For the three companies reporting on both labor costs and depreciation, the ratio of the one to the other had a weighted average of 3.8 : 1.

No mention is made of accelerated or special depreciation in the financial statements, but it is clear that with such a ratio either depreciation is unusually high or wages unusually low.

BELGIUM 1955 & (1954)

	Productive Facilities	Crude Steel Production metric tons	No. of Employees	No. of Share-holders	Largest Share-holding	Sales or Gross Revenue National Currency Belgian Francs	Sales or Gross Revenue Swiss Francs
S.A. Cockerill - Ougrée	Iron ore & coal mines; coke works & by product plant, blast furnaces, steel works, rolling mills; fabrication, cement plant, ship yards & shipping line.	1,980,000	41,395	NA	Soc. Générale Count de Launoit Brufina Confini	NA	NA
Forges de la Providence	iron ore and coal mines; coke works & by product plant; blast furnaces steel works rolling mills (steel works in France as well as Belgium).	1,182,000 (1,016,000)	NA NA	NA NA	38% Soc. Générale	NA NA	NA NA
Société Métallurgique Hainaut-Sambre S.A.	Iron mines, limestone quarries; coke works & by product plant; blast furnaces, steel works, rolling mills.	1,026,000 (821,186)	NA	NA	25% Flick Group Soc. Générale Banque de Paris et des Pays-Bas	NA	NA
S.A. métallurgique d'Espérance-Longdoz	coke works, by product plant; blast furnaces, steel works, rolling mills.	461,671 (313,236)	NA	NA	Brufina E. Coppée	NA NA	NA NA
Forges de Clabecq S.A.	coke works, blast furnaces, steel works, rolling mills.	428,178 (396,000)	NA NA	NA NA	Boël	NA NA	NA NA
Hauts Fourneaux Forges Aciéries de Thy-le-Château & Marcelle	coke works, by product plant; blast furnaces, steel plant & rolling mill; cement plant.	307,019 (269,722)	NA (2,200)	NA NA	30% Brufina	NA NA	NA NA
Usines Gustave Boël	coke works, by product plant; blast furnaces, steel works, rolling mills, fabrication.	400,000* NA	NA NA	NA NA	Boël family	NA NA	NA NA

*) estimated

BELGIUM 1955 (1954)

	Labor Costs National Currency Belgian Francs	Labor Costs Swiss Francs	% Labor Costs to Sales	Material Costs National Currency Belgian Francs	Material Costs Swiss Francs	Net Profits National Currency Belgian Francs	Net Profits Swiss Francs	% Net Profits to Sales
S.A. Cockerill-Ougrée	3,950,375,504	345,660,800	NA	NA	NA	512,183,220	44,793,730	NA
Forges de la Providence	NA NA	NA NA	NA NA	NA NA	NA NA	185,160,157 (100,202,759)	16,193,450 (8,763,370)	NA NA
Société Métallurgique Hainaut-Sambre S.A.	717,910,327	62,785,900	NA	NA	NA	102,304,791	8,947,210	NA
S.A. Métallurgique d'Espérance-Longdoz	592,151,303 (488,800,013)	51,874,910 (42,748,720)	NA NA	NA NA	NA NA	118,028,039 (25,000,000)	10,322,310 (2,186,411)	NA NA
Forges de Clabecq S.A.	NA NA	NA NA	NA NA	NA NA	NA NA	209,820,898 (159,987,420)	18,350,190 (13,991,930)	NA NA
Hauts Fourneaux Forges & Aciéries de Thy-le-Château	NA NA	NA NA	NA NA	NA NA	NA NA	128,368,902 (26,305,669)	11,226,690 (2,300,600)	NA NA
Usines Gustave Boël	NA NA	NA NA	NA NA	NA NA	NA NA	120,812,078 (76,990,888)	10,565,790 (6,733,350)	NA NA

BELGIUM 1955 - (1954)

	Ratio Labor Costs to Net Profits	Interest on Debt National Currency Belgian Francs	Interest on Debt Swiss Francs	Dividends Paid National Currency Belgian Francs	Dividends Paid Swiss Francs	Ratio Labor Costs to Dividends	Reinvested Profits National Currency Belgian Francs	Reinvested Profits Swiss Francs
S.A. Cockerill - Ougrée	7.7 : 1	N.A.	N.A.	310,500,000	27,115,230	12.7: 1	191,683,220	16,763,930
Forges de la Providence	N.A. N.A.	N.A. N.A.	N.A. N.A.	102,000,000 (61,200,000)	8,920,550 (5,352,335)	N.A. N.A.	77,791,739 (35,781,704)	6,803,390 (3,129,341)
Société Métallurgique Hainaut-Sambre S.A.	7.0 : 1	32,231,304	2,818,836	81,000,000	7,083,973	8.9 : 1	12,304,791	1,076,133
S.A. Métallurgique d'Espérance-Longdoz	5.0 : 1 (19.6 : 1)			72,600,000 (23,885,250)	6,349,339 (2,088,919)	8.2 : 1 20.5 : 1	45,428,039 (1,114,750)	3,972,978 (97,492)
Forges de Clabecq S.A.	N.A. N.A.	N.A. N.A.	N.A. N.A.	120,000,000 (102,857,145)	10,494,770 (8,995,520)	N.A. N.A.	60,178,542 (11,190,971)	5,263,002 (978,722)
Hauts Fourneaux Forges & Aciéries de Thy-le-Château	N.A. N.A.	N.A. N.A.	N.A. N.A.	54,000,000 (27,000,000)	4,722,649 (2,361,320)	N.A. N.A.	65,105,530	5,693,899
Usines Gustave Boël	N.A. N.A.	N.A. N.A.	N.A. N.A.	28,035,000 N.A.	2,451,842 N.A.	N.A. N.A.	91,274,965 N.A.	7,982,586 N.A.

BELGIUM (1954)

	Ratio Labor Costs to Reinvested Profits	Ratio Dividends to Reinvested Profits	Depreciation National Currency Belgian Francs	Depreciation Swiss Francs	% Depreciation to Sales	Ratio Labor Costs to Depreciation	Corporation Taxes on Income National Currency Belgian Francs	Corporation Taxes on Income Swiss Francs
S.A. Cockerill - Ougrée	20.6 : 1	1.6 : 1	1,000,000,000*	87,456,400	N.A.	4.0 : 1		
Forges de la Providence	N.A. N.A.	1.5 : 1 (1.7 : 1)	402,986,322 (300,745,113)	35,243,760 (26,302,100)	N.A. N.A.	N.A. N.A.		
Société Métallurgique Hainaut-Sambre S.A.	58.3 : 1	17.1 : 1	162,589,116	14,219,460	N.A.	4.4 : 1		
S.A. Métallurgique d'Espérance-Longdoz	13.1 : 1 (438.1 : 1)	1.6 : 1 (21.4 : 1)	224,693,608 (206,402,742)	19,650,910 (18,051,250)	N.A. N.A.	2.6 : 1 (2.4 : 1)		
Forges de Clabecq S.A.	N.A. N.A.	2.0 : 1 (9.2 : 1)	N.A. N.A.	N.A. N.A.	N.A. N.A.	N.A. N.A.	N.A. N.A.	N.A. N.A.
Hauts Fourneaux Forges & Aciéries de Thy-le-Château	N.A. N.A.	0.8 : 1	108,488,515 (85,417,467)	9,488,020 (7,470,310)	N.A. N.A.	N.A. N.A.		
Usines Gustave Boël	N.A. N.A.	N.A. N.A.	N.A. N.A.	N.A. N.A.	N.A. N.A.	N.A. N.A.	N.A.	N.A.

* estimated on basis of 6 months figure

BELGIUM 1955 & (1954)

	Net Worth		% Profits to Net Worth	% Dividends to Net Worth	Long Term Debt		Annual Salaries of three Highest Paid Executives or Officers	
	National Currency Belgian Francs	Swiss Francs			National Currency Belgian Francs	Swiss Francs	National Currency	Swiss Francs
S... Cockerill - Ougrée	7,500,000,000	656,028,000	6.8%	4.1%	1,895,541,001	165,777,300	N..	N..
Forges de la Providence	4,821,949,946 (4,058,402,079)	421,710,700 (381,170,400)	3.8% (2.3%)	2.1% (1.4%)	243,147,052	21,264,550	N. N.	N.. N..
Société Métallurgique Hainaut-Sambre S...					801,563,530	70,101 910	N.	N.
S.A. Métallurgique d'Espérance-Longdoz	2,902,207,085 (2,266,731,022)	245,071,100 (198,240,200)	4.2% (1.1%)	2.6% (1.1%)	659,701,000 (676,986,000)	57,695,110 (59,206,000)	N.. N..	N.. N..
Forges de Clabecq S.A.	2,000,150,134 (1,841,532,281)	174,926,000 (161,053,900)	10.5% (8.7%)	6.0%	N. N.	N. N..	N. N.	N.. N..
Hauts Fourneaux Forges & Aciéries de Thy-le-Château	1,252,543,792 (1,145,284,550)	109,543,000 (100,162,500)	10.2% (2.3%)	4.3%	93,020,000 (94,911,000)	8,135,200 (8,300,580)	N.. N.	N.. N.
Usines Gustave Boël	N.	N.	N.	N.	N. N.	N. N.	N. N.	N.. N..

BELGIUM 1955 & (1954)

	Total Salaries, Bonus and Fees Board of Officers & Board of Directors National Currency Belgian Francs	Swiss Francs
S.A. Cockerill - Ougrée	10,000,000*	874,564*
Forges de la Providence	5,368,419*	469,503*
Société Métallurgique Hainaut Sambre S.A.	9,000,000*	787,108*
S.A. Métallurgique d'Espérance-Longdoz	N.A. N.A.	N.A. N.A.
Forges de Clabecq S.A.	13,333,327* (11,428,568)	1,166,085* (999,502)
Hauts Fourneaux Forges et Aciéries	6,000,000* (3,000,000)	524,738* (262,369)
Usines Gustave Boël	N.A. N.A.	N.A. N.A.

* Bonus for Board only

I T A L Y

Italy produced 5,395,000 metric tons of crude steel in 1955, compared with 4,207,000 metric tons in 1954, and 2,323,000 metric tons in 1938, the best year prior to the end of World War II.

Italian steel is for the most part open hearth, which accounted for 56.6% in 1955, with electric fairly close behind with 36.8%. The rest is Bessemer.

Italy requires relatively high imports of scrap - in 1955 it was 2,262,000 metric tons. Coal, too, must largely be imported, as must considerable quantities of iron ore.

Water power, of course, makes the extraordinary percentage of electric steel production possible, and that in turn accounts in part for the unusually pronounced need for scrap.

With an increase of more than 100% since the end of the war, the Italian steel industry is one of those which have recorded the most spectacular expansion. A good part of this has resulted from the construction of state-owned plants during the post-war period. As a result, Italy possesses some of the most modern steel equipment in Europe and the Italian Government has become a very important steelmaker.

The largest company in Italy, the only one with an annual production in cess of one million tons, is more than 50% state-owned. It in fact produced 24.8% of all Italian steel last year. The second largest company, which ac counted for three-quarters of a million tons, or 13.9% of the total, is fully state-owned. The third largest steel company, with approximately half a million tons production in 1955, or about 10% of the total, is a private enterprise, as is the fourth, with about the same production. This company, FIAT, is primarily an automobile producer, and therefore its financial aspects will not be considered in this report. But it is also one of Italy's foremost steelmakers, and as such is acquiring ever increasing importance, not only in Italy, but on an international scale. The fifth company is over 50% state-owned. It produced just over one-third of a million tons last year, or 6.5% of the total. The state also owns two smaller, but still important, steel companies.

The five largest Italian steel companies produced approximately 65% of total steel in 1955.

	ILVA, Alti Forni e Acciaierie d'Italia, Soc. per Azioni	CORNIGLIANO, Soc. per Azioni, Genova	FIAT, Società per Azioni	ACCIAIERIE e Ferriere Lombarde Falck, Soc. per Azioni	DALMINE, Soc. per Azioni
Productive Facilities	Coke works, by-product plant, blast furnaces, steelworks, rolling mills, some fabrication	Coke works, by-product plant, blast furnaces, steelworks, rolling mills	Iron ore mines, elec. pig iron furnace, steel works, rolling mills. Primary business manufacture	Iron ore mines, limestone quarries blast furnaces, steel works, rolling mills, power plant	Steelworks and rolling mills, tube mill
Crude Steel Production (met. tons)	1,339,453 (1,085,825)	750,000 (362,000)	517,549 (422,420)	500,000 (438,000)	352,95[illegible] (307,000)
Steel Prod. shipped (met. tons)	1,100,000 (770,775)	(255,000)			406,402* (303,704)
No. of Employees	21,928 (22,145)			(15,000)	9,640 (9,136)
No. of shareholders	(14,000)				n.a. (n.a.)
Largest Shareholding	state majority	state-owned		n.a. (n.a.)	over 50% state maj.

* [illegible] purchs

	ILVA	FALCK	DALMINE
Sales or Gross Revenues National currency (Lit.)	92,119,000,000 (68,772,000,000)	n.a. (n.a.)	56,504,290,000 (41,478,939,000)
Swiss francs	644,603,520 (481,232,680)	n.a. (n.a.)	395,389,270 (290,249,240)
Labor Costs National currency (Lit.)	n.a. (n.a.)	n.a. (n.a.)	11,194,653,000 (9,809,393,000)
Swiss francs	n.a. (n.a.)	n.a. (n.a.)	78,334,680 (68,641,314)
Percentage Labor Costs to Sales	n.a. (n.a.)	n.a. (n.a.)	19.8 (23.6)
Materials Costs National currency (Lit.)	35,000,000,000	n.a. (n.a.)	n.a. (n.a.)
Swiss francs	244,912,810	n.a. (n.a.)	n.a. (n.a.)
Net Profits National currency (Lit)	1,938,539,574 (1,521,789,728)	924,721,573 (672,137,275)	2,451,607,466 (2,332,240,098)
Swiss francs	13,564,943 (10,648,732)	6,470,747 (4,703,286)	17,155,144 (16,319,870)
Percentage Net Profits to Sales	2.1 (2.2)	n.a. (n.a.)	4.3 (5.6)
Ratio Labor Costs to Net Profits	n.a. (n.a.)	n.a. (n.a.)	4.6 : 1 (4.2 : 1)
Interest on Debt- National currency (Lit.)	993,362,594 (1,174,815,848)	n.a. (n.a.)	n.a. (n.a.)
Swiss francs	6,951,063 (8,220,784)	n.a. (n.a.)	n.a. (n.a.)
Dividends paid - National currency (Lit.)	1,750,000,000 (1,400,000,000)	873,162,283* (869,577,954)*	2,160,000,000 (2,160,000,000)
Swiss francs	12,245,640 (9,796,512)	6,109,961 (6,084,879)	15,114,619 (15,114,619)
Ratio of Labor Costs to Dividends	n.a. (n.a.)	n.a. (n.a.)	5.2 : 1 (4.5 : 1)
Reinvested Profits - Nat. currency (Lit.)	188,539,574 (181,789,728)	51,559,290 (33,606,856)	291,607,466** (172,240,098)
Swiss francs	1,319,307 (1,272,075)	360,787 (235,164)	2,040,526 (1,205,252)
Ratio of Dividends to Reinvested Profits	9.3 : 1 (7.7 : 1)	16.9 : 1 (25.9 : 1)	7.4 : 1 (12.5 : 1)
Depreciation - National currency (Lit.)	7,300,000,000 (6,800,000,000)	2,300,000,000 (1,700,000,000)	1,558,968,000 (1,444,134,000)
Swiss francs	51,081,814 (47,583,060)	16,094,270 (11,895,765)	10,908,892 (10,105,340)
Percentage Depreciation to Sales	7.9 (9.9)	n.a. (n.a.)	2.7 (3.5)
Ratio Labor Costs to Depreciation	n.a. (n.a.)	n.a. (n.a.)	7.2 : 1 (6.8 : 1)

* Probably includes officers' bonus. ** Apparently includes carry-over from 1954.

	ILVA	FALCK	DALMINE
Corporation Taxes on Income			
National currency (Lit.)	1,840,134,126 (1,377,754,013)	n.a. (n.a.)	1,757,320,101 (1,852,695,117)
Swiss francs	12,876,354 (9,640,845)	n.a. (n.a.)	12,296,862 (12,964,250)
Net Worth			
National currency (Lit.)		n.a. (n.a.)	14,128,272,657 (13,379,309,173)
Swiss francs		n.a. (n.a.)	98,862,710 (93,621,830)
Percentage Profits to Net Worth		n.a. (n.a.)	17.4 (17.4)
Percentage Dividends to Net Worth		n.a. (n.a.)	15.3 (16.1)
Long-term Debt			
National currency (Lit.)	18,207,179,878 (18,941,710,283)	12,399,632,675 (7,577,460,890)	2,312,433,364 (2,066,715,149)
Swiss francs	127,404,900 (132,544,780)	86,766,530 (53,023,349)	16,181,272 (14,461,857)

CANADA

A. The Industry as a Whole

Canada produced 4,082,055 metric tons of crude steel in 1955, compared with 2,864,770 metric tons in 1954 and 2,469,982 metric tons in 1949. 87.6% was open hearth or Siemens, and 12.4% was electric furnace steel. There are two Bessemers in Canada, but these are used only in the duplex process, i.e., in the melting charge for open hearths.

There are three main Canadian steel making centers. One is at Sault Ste. Marie, Ontario, on the locks between Lake Superior and Lake Huron, two of the Great Lakes. A second is at Hamilton, Ontario, at the extreme western tip of Lake Ontario, about equidistant from Toronto and Niagara Falls. The third is at Sydney, Nova Scotia.

Canadian steel is based upon home coal and iron ore, or the ready accessibility of these raw materials. The steel mills in Nova Scotia are hard by both coal and iron ore, but in terms of freight costs are closer to Europe than to many parts of Canada.

Ten companies in Canada produce crude steel ingots. Of these, four have a capacity of over 300,000 metric tons each. In 1955, a single company accounted for 45.8% of Canada's total steel production, and the two largest companies produced 67.8% of all Canadian steel.

The largest steel company owns or has an interest in coal and iron ore mines in the USA. The second largest company owns two coal mines south of the border.

One large company has begun to expand vigorously with LD oxygen steel, and a second major producer is giving thought to doing likewise.

Two German steel tube companies have constructed plants in Canada in recent years, to take advantage of the market created by the opening of oil and gas wells hundreds of miles from consuming areas. One of them, however, has built its plant on land under long-term lease from the second largest Canadian steel company, from which it will also obtain its tube rounds.

The close ties between Canada and the United States are nowhere more in evidence than in the labor movement, for the same union represents steelworkers in both countries. Districts of the United Steelworkers of Canada are organized on the same basis as in the USA.

These close ties are also in evidence financially, though Canadian steel is overwhelmingly Canadian - 83% - in capital outlay.

Capacity has more than doubled between 1939 (2 1/4 million tons) and 1955 (5 million tons.) Nevertheless, Canada is still a heavy importer of steel, averaging almost a million tons a year.

B. The Four Largest Companies

	Productive Facilities
Steel Company of Canada Ltd.	Iron ore & coal mines, coke & by-product works; blast furnaces, steel works & rolling mills; some fabrication.
Algoma Steel Corp., Ltd.	Iron ore & coal mines; coke & by-product works; blast furnace, steel works & rolling mills
Dominion Foundries & Steel Limited	Coke works & by-product plant, steel works and rolling mills.
Dominion Steel & Coal Corp., Ltd.	Iron ore & coal mines; limestone quarries; coke & by-product works; blast furnaces, steel works & rolling mills; shipping & rail lines; shipyards; some fabrication.

	Steel Co. of Canada Ltd.	Algoma Steel Corp. Ltd.	Dominion Foundries & Steel Ltd.	Dominion Steel & Coal Corp
Crude steel production (metric tons)	1,868,887 (1,412,415)	898,325 (513,636)	700,000 (est.)	526,167 (417,855)
Number of employees	13,144 (12,125)	8,250 (6,500)*		(20,547)**
Number of shareholders	11,714 (10,908)	(2,553)		(8,203)**
Sales or gross revenues: $	227,005,261 (176,571,148)	114,756,710	n.a. (n.a.)	n.a. (n.a.)
Sw. fr.	976,122,622 (759,255,936)	493,453,853	n.a. (n.a.)	n.a. (n.a.)
Labor costs $	61,329,530 (51,620,915)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Sw. fr.	263,716,979 (221,969,934)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Percentage labor costs to sales	27.0% 29.2%	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Material costs $	107,017,828 (82,340,596)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Sw. fr.	460,176,660 (354,064,562)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Net profits $	21,818,638 (13,231,059)	10,441,834 (4,464,478)	5,471,290 (3,068,469)	2,895,303 (3,322,006)
Sw. fr.	93,820,143 56,893,553	44,899,886 (19,197,255)	23,526,547 (13,194,417)	12,449,802 (14,284,625)
Percentage net profits to sales	9.6 (7.5)	9.1	n.a. (n.a.)	n.a. (n.a.)
Ratio labor costs to net profits	2.8 : 1 (3.9 : 1)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Interest on debt: $	868,441 (928,897)	419,675 (444,198)	n.a. (n.a.)	1,123,400 (844,752)
Sw. fr.	3,734,296 (3,994,257)	1,804,603 (1,910,051)	n.a. (n.a.)	4,830,620 (3,632,433)
Dividends paid $	5,737,673 (4,996,945)	-0- -0-	2,150,139 (1,781,739)	2,080,016 (2,079,666)
Sw. fr.	24,671,993 (21,486,863)	-0- -0-	9,245,598 (7,661,478)	8,944,069 (8,942,563)
Ratio labor costs to dividends $	10.7 : 1 (10.3 : 1)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)

* Dec. 31, 1954 ** Dec. 31, 1952

	Steel Co. of Canada Ltd.	Algoma Steel Corp. Ltd.	Dominion Foundries & Steel Ltd.	Dominion Steel & Coal Corp.
Reinvested profits: $	16,080,965 (8,234,114)	10,441,834 (4,464,478)	3,321,151 (1,286,730)	815,287 (1,242,340)
Sw. fr.	69,148,149 (35,406,690)	44,899,886 (19,197,255)	14,280,949 (5,532,939)	3,505,734 (5,342,062)
Ratio dividends to reinvested profits	0.4 : 1 (0.6 : 1)	- -	0.6 : 1 (1.4 : 1)	2.6 : 1 (1.7 : 1)
Ratio labor costs to reinvested profits	3.8 : 1 (6.3 : 1)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Depreciation $	13,975,120 (14,734,752)	5,079,761* (4,983,681)*	13,125,885** (9,047,011)**	9,848,681 (9,694,735)
Sw. fr.	60,093,016 (63,359,433)	21,842,972 (21,429,828)	56,441,306 (38,902,147)	42,349,328 (41,687,361)
Percentage Depreciation to sales	6.2 (8.3)	4.4	n.a. (n.a.)	n.a. (n.a.)
Ratio labor costs to depreciation	4.4 : 1 (3.5 : 1)	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Corporation Taxes on income $	21,472,148 (13,644,037)	7,678,613	5,000,000*** (2,900,000)***	2,200,000 2,600,000)
Sw. fr.	92,330,236 (58,669,399)	33,018,036	21,500,000*** (12,470,000)***	9,460,000 11,180,000)
Net Worth $	134,966,373 (118,857,619)	73,940,464 (63,498,630)	41,085,430 (34,764,279)	59,977,532 (61,398,244)
Sw. fr.	580,355,403 (511,087,761)	317,943,995 (273,044,109)	176,667,349 (149,486,400)	257,903,387 (264,012,449)
Percentage profits to net worth	16.2 (11.1)	14.1 (7.0)	13.3 (8.8)	4.8 (5.4)
Percentage dividends to net worth	4.3 (4.2)	- -	5.2 (5.1)	3.5 (3.4)
Long term debt $	29,324,500 (29,567,000)	12,579,648 (13,344,577)	10,530,000 (10,897,500)	30,268,800 (19,339,300)
Sw. fr.	126,095,350 (127,138,100)	54,092,486 (57,381,681)	45,279,000 (46,859,250)	130,155,840 (83,158,990)

* Plus an unstated amount.
** Including accelerated depreciation.
*** Including deferred taxes.

	Steel Co. of Canada Ltd.	Algoma Steel Corp. Ltd.	Dominion Foundries & Steel Ltd.	Dominion Steel & Coal Corp.
Total salaries of executives & officers $	338,200 (329,300)			
Sw. fr.	1,454,260 (1,415,990)			
Fees, Board of Directors $	26,500 (26,500)	129,541 (129,478)	11,700	
Sw. fr.	113,950 (113,950)	557,026 (556,755)	50,310	

Note: Steel Company of Canada, Ltd. -

Average earnings last quarter 1954 $ 1.99 - hourly employees only, vacations & holidays included

L U X E M B O U R G

A. The Industry as a Whole

Luxembourg produced 2,828,000 metric tons of crude steel in 1954, 3,225,000 metric tons in 1955, compared with 2,705,000 metric tons in 1929, the best year prior to the end of World War II.

Luxembourg steel is practically all Thomas, there being no Siemens-Martin or open hearth, and only 2.1% electric steel produced in 1955.

Luxembourg steel, of course, is based upon the iron ore found in the southern part of the Grand Duchy, adjacent to the French Lorraine fields.

There are only three Luxembourg producers: ARBED, which in its Luxembourg plant (it also produces steel in the Sarre, and elsewhere) accounted for 60.6% of the total Luxembourg production; HADIR, which accounted for 26.8% of Luxembourg steel; and Rodange, whose production amounted to 12.6% of the total.

The Luxembourg total of over three million tons is an enormous performance for a sovereign country with a population of just over 300,000 , less than half of that of the city of Pittsburgh, or one-tenth that of the Ruhr. Luxembourg, of course, is primarily an exporting country. Figures which are available only for the Luxembourg-Belgian Economic Union show that 70% of their combined steel output is exported. It is reported that actually some 99% of Luxembourg steel is exported out of the Grand Duchy.

But the three companies in Luxembourg are giants by any standard, and the largest in Luxembourg is also the largest in Europe. Indeed, there are only fourteen countries in the whole world that produced more steel in 1955 than that one Luxembourg company alone. In the U.S.A. only 8 companies surpassed ARBED's record in 1955. But no American steel company compares with ARBED in its international ramifications.

ARBED stock is concentrated in the hands of four families or financial institutions, one French and 3 Belgian. The Belgian family Barbanson owns considerable but not exactly known amount of the outstanding stock. The Société Générale of Belgium has approximately 16%, BRUFINA, the Société de Bruxelles pour le Finance et l'Industrie and the Banque de Bruxelles, i.e. the Count de Launoit group possess a large but not exactly known amount, and Schneider of France have a 25% interest. These groups, especially the Belgian and French, have extensive holdings in many of Europe's largest steel companies, as well as in numerous other industries. Thus Providence with more than a million tons of steel capacity in France and Belgium, Cockerill-Ougrée in Belgium with two million tons of capacity, plus shipyards, and other interests, Rodange in Luxembourg over 400,000 tons of capacity, Hainaut-Sambre in Belgium with one million tons of capacity, the Schneider group of companies in France with one and a quarter million tons of capacity , plus several others, are all tied together. As a group, their steel capacity is exceeded only by six entire countries in the whole world. Only two American companies have a greater steel production capacity.

But ARBED consists of much more than just steel plants in Luxembourg and the Sarre. It has iron ore mines in Luxembourg and France. In Germany it has coal mines (the biggest outside the Ruhr), as well as extensive steel fabricating and manufacturing plants, chemical works, and the like. It has steel mills or fabricating plants in South Africa, Brazil, Argentina, Austria, and elsewhere. It is truly an international concern.

It is difficult to estimate the total employment of this giant.There are 25,000 workers in the Luxembourg steel plants alone, 22,000 in the German coal mines, and 19,000 in one part of the German manufacturing group, and over 4,000 in the Frenche iron ore mines.

It is difficult to estimate the total employment of this giant. There are 25,000 workers in the Luxembourg steel plants alone, 22,000 in the German coal mines, and 19,000 in one part of the German manufacturing group, and over 4,000 in the French iron ore mines.

B. The 3 Steel Companies

Productive Facilities: All the 3 Luxembourg companies are either themselves fully integrated or are made practically so as a result of financial connections with sources of supply.

Crude Steel Production: One company is a giant, one medium large, and one medium small.

Number of Employees: No company reports fully on the number of its employees.

Number of Shareholders: No company reports at all on this.

Largest Shareholding: All three are under predominant foreign control.

Sales or Gross Revenues: No information whatever made public.

Labor Costs: No information whatever made public.

Material Costs: No information whatever made public.

Net Profits: These appear small in proportion to extent of operation, but companies afford no basis for checking.

Percentage Profits to Sales: Information not available.

Ratio Labor Costs to Net Profits: Information not available.

Interest on Debt: Not disclosed.

Dividends Paid: Cf. Net Profits.

Ratio Labor Costs to Dividends: Information not available.

Reinvested Profits: Negligible for the two largest companies, considering their size.

Ratio Labor Costs to Reinvested Profits: Information not available.

Ratio Dividends to Reinvested Profits: The two larger companies had very high ratios while the smallest company had an unusually low one.

Depreciation: High for all three.

Depreciation to Sales: No information available.

Ratio Labor Costs to Depreciation: No information available.

LUXEMBOURG 1955 & (1954)

	ARBED - Aciéries réunies de Burbach-Eich-Dudelange	HADIR - Hauts fourneaux et aciéries de Differdange, St-Lugbert, Runelange, S.A.	Société minière et métallurgique de Rodange, S.A.
Productive facilities	Coal & iron ore mines, coke works & by-product plant; blast furnaces, steelworks, rolling mills; cement plants - many plants & mines in foreign countries - fabrication & manufacture.	Iron ore mines, blast furnace, steelworks, rolling mills.	Blast furnaces, steelworks, rolling mills.
Crude steel production (metric tons)	2,695,316 (2,385,270)	864,220 (781,550)	405,190 (282,100)
Steel products shipped (metric tons)	n.a. (n.a.)	n.a. (n.a.)	344,530 (241,615)
No. of employees	over 25,000 in Luxembourg	n.a. (n.a.)	n.a. (n.a.)
No. of shareholders	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Largest shareholding	Count de Launoit Schneider Société générale Barbanson family	15% Société générale	Cockerill-Ougré, Belgium Count de Launoit
Sales or gross revenues	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Labour costs	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Percentage labour costs to sales	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Material costs	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Net profits - national currency (Belgian francs)	314,458,900 (172,531,046)	112,454,855 (60,701,244)	73,592,591 (36,789,285)
Swiss francs	27,501,460 (15,088,950)	9,834,900 (5,308,716)	6,436,148 (3,217,460)
Percentage net profits to sales	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Ratio labour costs to net profits	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Interest on debt	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)

LUXEMBOURG 1955 & (1954)

	ARBED	HADIR	RODANGE
Dividends paid - Nat. currency (Belg. francs)	270,000,000 (150,000,000)	111,189,187* (55,000,000)	30,000,000
Swiss francs	23,613,240 (13,118,470)	9,724,210* (4,810,105)	2,623,690
Ratio labour costs to dividends	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Reinvested profits - Nat. currency (Belg. francs)	15,722,945 (8,626,552)	1,265,667 (538,700)	40,592,591 (3,550,084)
Swiss francs	1,375,073 (754,448)	110,691 (47,113)	3,550,084
Ratio labour costs to reinvested profits	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Ratio dividends to reinvested profits	17.2 : 1 (17.4 : 1)	87.9 : 1 (102.1 : 1)	0.7 : 1
Depreciation - National currency (Belg. francs)	794,768,202 (680,243,188)	173,000,000 (156,000,000)	81,566,574 (37,194,162)
Swiss francs	69,507,620 (59,491,660)	15,129,960 (13,643,200)	7,133,524 (3,252,870)
Percentage depreciation to sales	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Ratio labour costs to depreciation	n.a. (n.a.)	n.a. (n.a.)	n.a. (n.a.)
Corporation taxes on income	n.a. (n.a.)		
Net Worth - National currency (Belg. francs)	7,792,002,962 (7,184,997,266)		
Swiss francs	681,461,100 (628,374,400)		
Percentage profits to net worth	4.3 (2.4)		
Percentage dividends to net worth	3.5 (2.1)		
Long term debt - Nat. currency (Belg. francs)	n.a. (n.a.)	(157,841,500)	
Swiss francs	n.a. (n.a.)	(13,804,260)	
Annual salaries of 3 highest paid executives or officers	n.a. (n.a.)		
Total salaries, bonus & fees, Boards of officers & directors - national currency (Belg. francs)	28,735,955** (13,904,474)**	(5,162,544)**	3,000,000
Swiss francs	2,513,145 (1,216,037)	(451,498)**	262,369

*includes officers' bonus ** bonus for officers only.

S A A R

A. The Industry as a Whole

The Saar produced 2,805,000 tons of crude steel in 1954, and 3,165,000 tons in 1955, compared with 2,557,000 tons in 1938, the best year prior to the end of World War II.

There are four steel companies, each operating one steel producing plant. Each of the four companies produces more than 300,000 tons per year. One of the four is Luxembourg owned; one German owned, and one controlled by a consortium of Belgium, Luxembourg and French steel companies. Ownership of the fourth company is not yet clear, since it was seized by the French Government. Three of the four employ over 5,000 workers each, and the fourth between 2,000 and 5,000.

The Saar is coal-rich, and is a border state. Undoubtedly it will soon be returned to Germany for the second time, though France is insisting on obtaining part of its coal.

Its largest company was formerly the personal property of one family.

One of the steel plants - ARBED - is treated in the section on Luxembourg.

B. The Three Companies

	Forges et Aciéries de Völklingen (Röchlingscher Eisen- u. Stahlwerke GmbH)	Neunkirchen Eisenwerk A.G.	Aktiengesellschaft der Dillinger Hüttenwerke
Productive facilities	limestone quarries; coke works, by-product plant; blast furnaces, steelworks rolling mills; some fabrication.	limestone quarries; coke works, by-product plant; blast furnaces, steelworks and rolling mills.	coke works, by-product plant; blast furnaces, steelworks, rolling mills.
Crude steel production (metric tons)	1,000,000 (850,000)	814,898 (749,941)	662,000 (609,000)
Number of employees	13,000	8,430 (8,500)	6940 ~~n.a.~~ (n.a.)

	Neunkirchen Eisenwerk A.G.	Aktiengesellschaft der Dillinger Hüttenwerke
Number of Shareholders	n.a. (n.a.)	n.a. (n.a.)
Largest shareholding	Otto Wolff majority	A consortium of French, Belgian & Luxembourg steel companies
Sales or gross revenues: Fr.fr.	36,363,442,000	30,904,000,000 (23,246,000,000)
Sw.fr.	454,315,800	386,106,900 (290,429,700)
Labor costs Fr.fr.	8,066,362,805	5,161,157,191
Sw.fr.	100,779,140	64,482,220
Percentage labor costs to sales	22.0	16.7
Materials costs	n.a. (n.a.)	n.a. (n.a.)
Net profits Fr.fr.	1,778,498,421 (loss)	148,124,431
Sw.fr.	22,220,110	1,850,630
Percentage net profits to sales	4.9	0.5
Ratio labor costs to net profits		34.8 : 1
Interest on debt		n.a. (n.a.)
Dividends paid: Fr.fr.		96,916,666
Sw.fr.		1,210,853
Ratio labor costs to dividends		53.3 : 1
Reinvested profits: Fr.fr.		51,207,765
Sw.fr.		639,777
Ratio dividends to reinvested profits		1.9 : 1
Depreciation Fr.fr.	1,496,364,841	952,876,232*
Sw.fr.	18,695,210	11,905,000
Percentage depreciation to sales	4.1	3.1
Ratio labor costs to depreciation	5.4 : 1	5.4 : 1
Net worth: Fr.fr.		10,781,936,070
Sw.fr.		134,706,800
Percentage dividends to net worth		0.9
Long-term debt: Fr.fr.		2,719,788,403
Sw.fr.		33,980,360
Fees, Board of Directors Fr.fr.		32,112,418
Sw.fr.		401,205

* 169,819,761 Fr.fr. in other tax favored reinvestment considered as depreciation.

AUSTRALIA

A. The Industry as a Whole

Australia produced 2,232,000 metric tons of crude steel in 1955, compared with 2,257,000 tons in 1954. This is some 85% higher than in 1945.

Australian steel is practically the complete monopoly of the country's largest company, the Broken Hill Proprietary Co. Ltd. Broken Hill, originally a silver and lead mining company at the fields of the same name, began the production of steel in 1915 at Newcastle, a few miles north of Sydney, in New South Wales, on the south-east coast. In 1935, Broken Hill acquired full control of the Australian Iron and Steel Ltd. All the ordinary shares are now owned by Broken Hill. Holdings of the general public are limited to a rather small number of preference shares. Australian Iron and Steel has its main works at Port Kembla, also in New South Wales, and about as far south of Sydney as Newcastle is north. Port Kembla has overtaken Newcastle as a steel producer.

As a result of a vast expansion program, both plants are modern. One has a new continuous strip mill of 1,000,000 tons capacity, to which a tin plate mill of 150,000 tons capacity is being attached.

Australia has its own coal not far from the plants and its own iron ore at Iron Monarch and Iron Knob in South Australia, some 50 miles from the coast, but almost 1,000 miles from the steel plants, which are also on tidewater. A second source of iron ore is on Cockatoo Island in the Buccaneer Archipelago, a part of the territory of Western Australia. These are 3,000 miles from the steel plants. The company, however, builds and operates its own ore ships. The coal and iron ore mines are highly mechanized.

Australia is an up and coming nation. Before the war, the company could not sell all the steel it could produce; now it has to employ almost 24% recent immigrants to meet the demand.

Australian steel is among the lowest-priced in the world.

B. The Two Companies

	The Broken Hill Proprietary Company, Limited*	Australian Iron and Steel Limited
	(Years ending May 31)	(Years ending Nov. 30)
Productive facilities	completely integrated, including vast related & unrelated raw materials & fabricating & manufacturing facilities. Also owns Australian Iron & Steel Ltd. (Newcastle). Largest company in Australia.	coal & iron ore mines, coke works & by-product plant; blast furnaces, steelworks & rolling mills.
Crude steel production (metric tons)	1,020,000 est.** (1,042,665)**	1,212,088 (1,133,540)***
Number of employees	14,500	14,500
Largest shareholding		entirely owned by Broken Hill Prop. except for £ Aust. one million in pref. shares

* Further financial information on Broken Hill is not given, as half of the Company's operations are outside the steel industry.

Australian Iron & Steel Limited

	£ Aust.	Swiss francs
Net profits	2,227,000 (1,587,622)	21,813,710 (15,876,220)
Dividends paid	885,000 (412,500)	8,668,672 (4,040,483)
Reinvested profits	1,342,000 (1,175,122)	13,145,038 (11,510,449)
Depreciation	3,495,000 (2,513,319)	34,233,909 (24,608,441)
Net Worth	(20,462,131)	(200,427,541)

** Excluding Australian Iron & Steel Ltd.
*** Port Kembla

S W E D E N

In 1955 Sweden produced 2,149,000 metric tons of crude steel, compared with 1,862,000 metric tons in 1954, and 1,250,000 metric tons in 1942, the best year prior to the end of World War II.

Steel production in Sweden is, of course, based on the rich iron ores found in the central and northern parts of that country. Though Sweden has no appreciable resources of coal, it does have an abundance of water power. In the early years, this resulted in a concentration on alloy steels, and even in 1955 45.0% of Swedish steel was made in electric furnaces. 36.4% was Siemens-Martin and 16.9% Thomas.

Only one steel company has an annual production in excess of 300,000 tons. This is the Norbottens Järnverk at Luler in Lapland, at the head of the Gulf of Bothnia. It is equipped with electric blast furnaces and is state-owned. Incidentally, the state also has a 50% interest in the main iron ore mining company in the north.

Unfortunately, no information for 1955, other than production figures, has yet been received with reference to this company.

A U S T R I A

A. The Industry as a Whole

Austria produced 1,825,000 metric tons of crude steel in 1955, compared with 1,605,300 tons in 1954, and 860,000 tons in 1943, the best year prior to the end of World War II.

Austria is a small country and has no great coal reserves, yet it has a steel industry which promises to affect steel production in many parts of the world.

The reason is summed up in two letters, L.D. Not all steelmasters know just what L.D. stands for (Linzer Düsenstahl), or if they do know, cannot pronounce it, yet most know what it means.

L.D. is a process of making steel by inserting a water-cooled tube from above into a vessel that looks like a Thomas or Bessemer converter with a sealed-up bottom. Through this tube, almost pure oxygen is blown onto the charge at from 6 to 12 atmospheres at tremendous speeds. The result is a steel that ranks in many respects with open-hearth quality. But the costs are very much lower, especially as regards labour. Investment is also considerably lower than in the case of an open-hearth melt shop, in spite of the need for an oxygen plant.

Several American and Canadian companies have already installed this process, and report results surpassing expectations. One of the chief objections to the process which arose in Austria - the thick pall of red smoke - has been eliminated in the American operations. In 1954, 35.9% of the steel produced in Austria was L.D.; 48.6% was open hearth, and 15.5% was electric.

The steel industry is state owned to a larger extent in Austria than in any other Western country. There are only two large producers, one at Linz and the other at Donavitz, both of which are government owned.

Linz is on the Danube, far from coal and iron ore. The plant is only 18 years old and was originally built by Hitler as a model work and housing project. It was often the target of allied air raids during the war, and by V.E. day was largely in ruins. The plant was again formally nationalized in 1946 and 1947. It has been rebuilt, for the most part with Marshall Plan funds and now has some of the most modern rolling mills in Europe. The company's full name is Vereinigte Oesterreichische Eisen- und Stahlwerke, Linz-Donau, VOEST for short. VOEST not only makes steel, but plans and erects steel mills.

The other large state-owned steel company is the Oesterreichische Alpine Montangesellschaft, located at Donavitz in the Central Austrian alps near Erzberg. Erzberg of course is the iron ore mountain just a few miles up (in both senses the valley from the plant.

These two state-owned works account for some 83.3% of total Austrian steel production.

There are two other significant steel plants in Austria; one, Gebrüder Böhler & Co. with 146,000 metric tons of crude steel production in 1955, and the other the Schoeller-Bleckman Stahlwerke, with a production of 79,000 tons.

The largest steel company accounted for 42.1% of total Austrian steel production in 1955; the 2 largest for 83.3%; the 3 largest for 91.3%; and the 4 largest for 95.6%.

B. The Two Largest Steel Companies

	Vereinigte Oesterreichische Eisen- und Stahlwerke, Linz a. d. Donau	Oesterreichische Alpine Montangesellschaft
Productive facilities	coke works & by-product plant, blast furnaces, steelworks & rolling mills; some manufacture; bridge & steel construction	iron ore and coal mines, blast furnaces, steelworks & rolling mills
Crude steel production (metric t.)	752,000	769,000
Number of employees	14,841	28,330
Largest shareholding	state-owned	state-owned
Sales or gross revenues - Aus.sch. Sw. francs	3,189,000,000 536,344,900	2,680,000,000 450,738,300
Labor costs - Austrian sch. Swiss francs	422,000,000* 70,974,460	736,000,000* 123,784,850
Percentage labor costs to sales	13.2%	27.5%

* Not clear whether wages and salaries only

I N D I A

A. The Industry as a Whole

India produced 1,728,000 metric tons of crude steel in 1955, compared with 1,704,000 metric tons in 1954 and 1,272,000 metric tons in 1948.

Although the gain over pre-war production has been slight, India has ambitious plans for the immediate future. Four foreign countries, both Communist and capitalist, are involved in as many development projects which, if carried through as planned, will raise India's annual production by more than 200% by 1960.

India today has two main steel companies: Tata Iron and Steel, with over a million tons of capacity, and the Indian Iron and Steel, with somewhat under 500,000 tons of capacity. Both plants are in the Bihar-Bengal area (near Calcutta), where high-grade iron ore and good coking coals are available.

The development plans and projects (or proposals, for some have not yet been finally approved by the Government of India) are:

1. A Russian proposal to build a fully integrated steel plant, with a capacity of 1 million tons, at Bhilai, some 500 miles south-west of Calcutta. This will, of course, become a government-owned plant.

2. A German proposal, made jointly by Krupp and Demag, to build a one million ton capacity plant at Rourkala, approximately halfway between Bhilai and Calcutta. The government will actually control this plant too.

3. A British proposal to build a 1,000,000 ton capacity plant at Durgapur, just north-west of Calcutta. This also will be under government control.

4. An agreement between Kaiser Engineering (the same Kaiser of Kaiser Steel Corporation, USA) and Tata Iron and Steel, to enlarge the Tata plant at Jamshedpur from its present capacity of 1,175,000 tons to 2,000,000 tons per year.

Of these four projects, the first to get under way is the Tata-Kaiser deal. The World Bank has extended a credit of $60,000,000 (out of a total cost of $130,000,000). Some of the equipment, such as a blast furnace and electrical apparatus, is coming from America, but a large part of the other facilities is being ordered in Germany. The project is to be completed in 30 months, ending May 1958.

The English plant is so designed that its capacity can be readily doubled.

B. The Two Companies

	Tata Iron & Steel Company Limited	Indian Iron & Steel Company Limited
Productive facilities	coal & iron ore mines; coke works & by-product plant; blast furnaces; steelworks & rolling mills; some fabrication.	iron ore & coal mines; coke works & by-product plant; blast furnaces, steel works & rolling mills.
Crude steel production (metric t.)	1,056,640 (1,084,072)	536,568 (353,427)
Steel products shipped (metric t.)	(792,400)	
Number of employees	62,328 (62,451)	
Number of shareholders	32,654	
Sales or gross revenues: Rupees	368,189,000 (373,440,000)	274,612,082
Sw.fr.	338,104,460 (342,926,400)	252,173,660
Labor costs: Rupees	114,739,091 (113,934,495)	61,900,000
Sw.fr.	105,363,810 (104,624,960)	56,842,182
Percentage labor costs to sales	31.2 (30.5)	22.5
Net Profits: Rupees	22,247,000* (20,161,000)	6,699,256**
Sw.fr.	20,429,208 (18,513,654)	6,151,863
Interest on debt: Rupees		657,647 (710,411)
Sw.fr.		603,910 (652,363)
Dividends paid: Rupees	19,146,142 (19,146,142)	1,349,770 (1,349,770)
Sw.fr.	17,581,720 (17,581,720)	1,239,481 (1,239,481)
Depreciation: Rupees	23,500,000* (21,500,000)*	31,148,333** (19,968,039)**
Sw.fr.	21,579,826 (19,743,245)	28,603,218 (18,336,460)
Percentage depreciation to sales		11.3
Fees, Board of Directors: Rupees		667,183
Sw.fr.		612,668

* Plus 10,000,000 rupees plant rehabilitation reserve. Not clear whether it should be included here or under net profits.

** Plus 10,000,000 rupees extension reserve, 4,369,967 general reserve, and 5,950,000 provision for plant rehabilitation not included in depreciation.

Tata Iron and Steel Co. -

The average annual income per employee in 1955 was 2,298 rupees (2,110 Swiss francs.)

UNION OF SOUTH AFRICA

A. The Industry as a Whole

The Union of South Africa produced 1,584,000 metric tons of crude steel in 1955, compared with 1,428,000 metric tons in 1954, and 600,000 metric tons in 1 .

Almost 90% of South African steel is produced by the South African Iron and Steel Industrial Corp. Ltd.

B. South African Iron and Steel Industrial Corporation, Ltd. (year ending June 30)

Productive facilities: Coal & iron ore mines, coke works & by-product plant, blast furnaces, steelworks & rolling mills

	1955	1954
Crude steel production	1,287,296 metric tons	1,122,188 metric tons
Steel products shipped	975,867 " "	834,338 " "
No. of employees	n.a.	n.a.
No. of shareholders	n.a.	n.a.
Largest shareholding	n.a.	n.a.
Sales or gross revenues	£ 39,669,551 Sw.fr.485,710,015	
Labor costs	n.a.	n.a.
Percentage labor costs to sales	n.a.	n.a.
Material costs	n.a.	n.a.
Net profits	£ 7,378,310 Sw.fr. 90,339,437	£ 6,374,430 Sw.fr. 78,047,883
Percentage net profits to sales	18.6	
Labor costs : net profits	n.a.	n.a.
Interest on debt	£ 116,250 Sw.fr. 1,423,356	£ 116,250 Sw.fr. 1,423,356
Dividends paid	£ 1,149,589 Sw.fr. 14,075,452	
Labor costs : dividends	n.a.	n.a.
Reinvested profits	£ 6,576,672* Sw.fr. 80,524,114	£ 5,539,707** Sw.fr.67,827,619
Dividends : reinvested profits	0.2 : 1	
Labor costs : reinvested profits	n.a.	n.a.
Depreciation	n.a.	n.a.
Percentage depreciation to sales	n.a.	n.a.
Labor costs to depreciation	n.a.	n.a.
Corporate taxes on income	£ 4,326,239 Sw.fr. 52,970,038	3,192,642 Sw.fr. 39,090,389
Net worth	£ 63,187,423 Sw.fr.773,660,488	£ 55,569,302 Sw.fr.680,384,977
Percentage profits to net worth	11.7	11.5
Percentage dividends to net worth	1.8	
Long-term debt	£ 3,000,000 Sw.fr. 36,731,700	£ 3,000,000 Sw.fr. 36,731,700
Annual salaries of 3 highest-paid executive or officers	n.a.	n.a.
Total salaries, bonus & fees, boards of officers and directors	n.a.	n.a.

* £3,500,000 of this sum is really accelerated depreciation
**£4,500,000 of this sum is really accelerated depreciation

BRAZIL

Brazil produced 1,166,400 metric tons of crude steel in 1955, compared with 1,172,400 in 1954, and 483,608 tons in 1948.

Brazil is one of the most iron-rich countries on earth. Until 1945, however, there was only one steel company of so much as moderate size, and that was owned by the Luxembourg firm ARBED. In 1941 the government had finally set in motion a plan to erect its own steel works at Volta Redonda, about 90 miles north-west of Rio de Janeiro. Loans from the American Export-Import Bank and technical assistance helped to make this achievement possible. In one leap, Brazil enlarged its steel production several times. The company is, of course, mostly state owned. It is now in the process of expanding again. All of the steel is marketed, as before, within the country.

Volta Redonda is fully integrated, possessing its own coal, iron ore and manganese mines, plus dolomite and limestone quarries. Its plant has every process from coke works and by-products plant, through blast furnaces, steel works, rolling mills and a foundry, to finishing mills and fabrication departments.

It produced 665,666 metric tons of crude steel in 1955, or 57.7% of total Brazilian steel production. Some 14,000 workers were employed by the company in 1953.

HOLLAND

A. The Industry as a Whole

Holland produced 927,600 metric tons of crude steel in 1954, 973,200 metric tons in 1955, compared with 187,300 metric tons in 1941, the best year prior to the end of World War II.

There are three steel mills in Holland. One is of considerable size (700,000 tons) and is among the 100 largest in the free world. The other two are relatively small. One produces about 140,000 tons a year and has about 2,500 employees. The other plant is really a wire or cable factory, and its main raw material is copper.

The number one steel company in Holland is the Koninklijke Nederlandsche Hoogovens en Staalfabrieken N.V., IJmuiden. It is an integrated plant, starting with coke ovens and going through to finishing lines. It has in addition a cement plant and its own limestone quarries . It owns a 40.8% interest in the largest steel plant in Germany, the Dortmund Hörder Hüttenunion in the Ruhr company itself is partly owned by the state (30%) and partly by the city of Amsterdam (10%). The rest of its shares are privately held. Prince Bernhard of Holland is a member of the Board of Directors.

The company was founded in 1918.

B. The Largest Company

Company: Koninklijke Nederlandsche Hoogovens en Staahlfabrieken N.V.

Productive Facilities: Coke works and byproduct plant, blast furnaces, steelworks and rolling mills - year ending March 31, 1955.

Crude Steel Production:	1955:	679,179 metric tons
	1954:	654,371 " "
Number of Employees:	1955: 10,517, 1954: 9,146	
Number of Shareholders:	1955 + 1954 : not available	
Largest Shareholding:	1955:	30% state, 10% city of Amsterdam.
Sales or Gross Revenues:	not available	
Labor Costs:	1955:	national currency: 51,000,000 fl.
		Swiss francs: 58,688,000
Percentage Labor Costs to Sales:	not available.	
Material Costs:	not available.	
Net Profits:	1955:	national currency: 7,243,642 fl.
		Swiss francs: 8,335,606
Percentage Net Profits to Sales:	not available.	
Labor Costs : Net Profits:	1955:	7.0 : 1
Dividends Paid:	1955	national currency: 7,222,380 fl.
		Swiss francs: 8,311,139
Ratio Labor Costs to Dividends:	1955: 7.0 : 1	
Reinvested Profits:	1955:	national currency: 21,262 fl.
		Swiss francs: 24,467.
Ratio Dividends to Reinvested Profits:	1955: 344 : 1	

Ratio Labor Costs to Reinvested Profits:	1955:	2398 : 1
Depreciation:	1955: national currency:	17,100,000 fl.
	Swiss francs:	19,677,790
	1954: national currency:	18,100,000 fl.
	Swiss francs:	20,828,530
Percentage Depreciation to Sales:	not available.	
Ratio Labor Costs to Depreciation:	1955:	3,0 : 1
Corporation Taxes on Income:	not available.	
Long Term Debt:	1955: national currency:	15,866,667 fl.
	Swiss francs:	18,258,530
Annual Salaries of 3 Highest Paid Executives or Officers:	not available.	
Total Salaries, Bonus and Fees Board of Officers and Board of Directors:	not available.	

C H I L E

Chile produced 310,000 metric tons of crude steel in 1955, compared with 320,945 tons in 1954, and 30,000 in 1948. Steel in Chile means Compania de Acero del Pacifico S.A., a steel firm which was built with the aid of several American export/import bank loans, totaling $58,000,000 out of construction costs of $88,000,000 (in U.S. currency.) Coal is 65% domestic and 35% imported. Iron ore in the past came entirely from Chilian mines, but these deposits have now been exhausted, so the company has been forced to seek other sources, for the most part also within the country. Limestone, too, is domestic. The steel plant is fully integrated from coke ovens to finished products.

Steel is primarily produced for home consumption, but because of special conditions, and particularly the need for dollar exchange, 42,880 metric tons were exported in 1955. Steel is entirely open hearth, but Bessemer converters are used in the Duplex process, i.e., to provide a molten charge for the open hearth.

It will be noted that production by the company in 1955 was below the 300,000 ton level set for this study. Nevertheless, this company was included, because the 300,000 ton level was exceeded in 1954, and because the drop in 1955 was due to special circumstances, namely, a strike over wages at the steel plant and a strike at the iron ore mine, which made it impossible to blow in the blast furnace immediately after relining. It is clear, then, that this company really belongs to the 100 largest and is therefore included.

Financial details, however, have no real value as far as comparability is concerned, for the reason that Chile is suffering from currency problems. The company itself issues annual reports, not only in Spanish but also in English, and in the English report values are expressed in American dollars, as well as in Chilian currency. It is stated, however, that conversion has been made for the first half of the year at the rate of 200 pesos to the dollar, and for the second half at 300 pesos to the dollar. The balance sheet was prepared on the basis of the last half conversion rate.

Inflation is a real problem in Chile. During 1954, prices rose approximately 60%. The steel company, because it was still expanding and felt that rising productivity would justify such a policy, raised its prices in 1955 by 33%. It is asserted that prices are such that its steel is cheaper in Chile than American imported steel, using 300 pesos to the dollar. Interestingly enough, the company has had considerable help in raw materials and other problems from the Bethlehem Steel Corporation of the United States. The company also has a number of foreigners on its staff.

There is a total of 5,983 employees, including all personnel in the steel plant and ancillary operations.

MEMORANDUM

April 19, 1956

SUBJECT: UNITED STATES STEEL CORPORATION
1955 and Fourth Quarter Financial Summary

PREPARED BY: Research Department - United Steelworkers of America

Otis Brubaker, Director
Marvin Miller, Assistant Director
Frank Pollara, Research Associate
Paul Fasser, Jr., Research Associate

The 1955 financial story of U. S. Steel Corporation can be described simply. It was the best - by far! Comparisons with all other years set off 1955 in a category by itself. It is the only year in the entire history of the Corporation that:

Net Profits have exceeded $300 million ($370.1 million)
Profits Before Taxes exceeded $700 million ($736.1 million)
Sales exceeded $4 billion ($4.1 billion)
Common stock dividends exceeded $100 million ($122.9 million)
Net Worth exceeded $2.5 billion ($2.6 billion)

Comparisons with 1954 are not entirely appropriate, since operating levels were so different. But 1955 can reasonably be compared with 1953. In terms of Production and Shipments, 1955 was almost a replica of 1953. Change was only nominal:

	1955	1953	% Change
Ingot Production (Short Tons)	35,309,000	35,827,000	- 1.4%
Shipments of Finished Steel (Short Tons)	25,506,032	25,090,789	+ 1.7%

But in terms of Sales, Profits, Employment, Manhours, Dividends - the story is entirely different:

	1955	1953	% Change
Sales	$4,097,680,287	$3,861,034,728	+ 6.1%
Profits Before Taxes	$736,099,353	$545,087,840	+35.0%
Net Profits	$370,099,353	$222,087,840	+66.6%
Employment	272,646	301,560	- 9.6%
Average Weekly Hours	37.5	37.9	- 1.1%
Total Manhours	533,700,000	595,500,000	-10.4%
Material Costs	$1,355,237,023	$1,418,736,438	- 4.5%
Employment Costs	$1,614,885,659	$1,569,233,936	+ 2.9%

From the above comparisons it can be seen that far fewer employees, working a shorter work-week, and working far less manhours, have produced as much steel in 1955 as in 1953. Total Employment Costs (despite substantial wage increases in 1954 and 1955) were only slightly higher than in 1953.

IN EFFECT, STEELWORKERS HAVE EARNED AND PAID FOR THEIR WAGE INCREASES WITH INCREASED PRODUCTIVITY.

The above comparisons also refute Industry claims that wage increases cause, and are followed by increased Material Costs. In fact, Material Costs in 1955 were actually less than in 1953.

While major cost items such as Material Costs and Employment Costs together totaled less in 1955 than in 1953, Net Profits and Profits Before Taxes increased by 66.6% and 35.0% respectively - an amazing performance that was mainly due to the unnecessarily increased Steel Prices and to greater production per manhour worked. Since costs were not increased, there was no need for increased prices. Higher Prices were designed to increase already high Profit margins. And this they did - obviously.

Other highlights of the year 1955 were:

1. Net Profits per manhour were at a record high of 69.35¢.

2. Profits Before Taxes per manhour were at a record high of 137.92¢.

3. The rate of Common stock dividend payments per share increased 41.5% over the 1954 rate.

4. Charges for Rapid Amortization of facilities covered by Certificates of Necessity were at a record high of $147.7 million. Translated into cents per manhour for all Employees, this amounts to 27.7¢ per manhour.

5. If the Corporation's employment costs in 1955 had been 25¢ per manhour higher than they actually were, Net Profits still would have been in excess of $300 million.

These highlights give some indication of the Corporation's financial ability to absorb a substantial increase in wages within the framework of its 1955 profit structure.

As far as 1956 is concerned, the prospects are that Net Profits will be at least as high as the 1955 level - even assuming a moderate downturn in the latter half of the year and a substantial wage increase in mid-1956.

A detailed analysis follows:

(1) Net Profit After Taxes

Net Profits for 1955 were $370,099,353 - a record high. This tops 1954's Net Profits by 89.4% and exceeds the previous record high established in 1916 by 36.3%.

Even so, these 1955 Net Profits would have been considerably higher had it not been for the extraordinary charges for Rapid Amortization, whose impact on Profits is discussed elsewhere in this summary. So high are these charges

that the Corporation discontinued in 1953 its practice of charging its special Accelerated Depreciation against Income. Rapid Amortization is deductible as a cost for tax purposes; Accelerated Depreciation, as used by the Corporation in 1952 and several prior years, was not.

Quarterly comparisons of Stated Net Profits for the last 3 years are shown in the following table:

STATED NET PROFITS

	1955	1954	1953
4th Quarter	$102,592,410	$57,242,637	$55,364,812
3rd Quarter	89,628,983	44,323,860	61,706,264
2nd Quarter	105,225,558	49,020,738	55,640,806
1st Quarter	72,652,402	44,830,376	49,375,958
TOTALS	$370,099,353	$195,417,611	$222,087,840

(2) Profits Before Taxes

The Corporation's Profits Before Taxes for 1955 were $736,099,353 -- also a record high. This is almost double the $385 million earned in 1954 and far above the $545 million earned Before Taxes in 1953.

Federal Income Taxes were $366 million in 1955 compared to $190 million in 1954 and $323 million in 1953. These figures include Excess Profits Taxes of $53 million in 1953. There was no Excess Profits Tax in 1954 and 1955.

The following table shows quarterly Profits Before Taxes (Stated Net plus Stated Income Taxes) for the past three years:

PROFITS BEFORE TAXES

	1955	1954	1953
4th Quarter	$200,592,410	$108,242,637	$ 77,364,812
3rd Quarter	178,628,983	89,323,860	175,706,264
2nd Quarter	209,225,558	100,020,738	166,640,806
1st Quarter	147,652,402	87,830,376	125,375,958
TOTALS	$736,099,353	$385,417,611	$545,087,840

(3) The Impact of a Wage and Employment Cost Increase on Profits

Within the framework of its 1955 profit structure, i.e., without any Price increase, the Corporation's ability to absorb a Wage and Employment Cost increase in 1956 is, for all practical purposes, unlimited. The impact of wage increases on Profits is measured Before Taxes, since Employment Costs, like all other "costs", are "costs" of doing business and are charged off to Profit Before Taxes.

In 1955 manhours worked by all of the Corporation's employees totaled 533.7 million. Assuming the same level of operations, and without taking into account anticipated increased output per manhour in 1956 as compared with 1955, the table below shows the impact of varying wage and Employment Cost increases on the Corporation's Profits:

Wage Increase	Annual Gross "Cost" (Reduction of Profit Before Taxes)	Annual Net "Cost" (Reduction of Net Profit)	Resulting Profit Before Taxes	Resulting Profit Net
1¢	$ 5.3 million	$ 2.5 million	$730.8 million	$367.6 million
10¢	53.4 "	25.6 "	682.7 "	344.5 "
25¢	133.4 "	64.0 "	602.7 "	306.1 "
50¢	266.9 "	128.1 "	469.2 "	242.0 "

These figures speak for themselves. They show that in the year 1956 - assuming the same level of operations and the same profit structure - the Corporation could absorb increased Employment Costs of 25¢ per hour and still have left Net Profits of $306.1 million - - far higher than Net Profit in any prior year except 1955. Even increased Employment Costs of 50¢ an hour would leave Net Profits of $242.0 million - a figure which, before 1955, had been exceeded only once - in 1916.

Obviously the Corporation can grant a substantial pay boost in 1956 and absorb the cost and still make a high Profit. Should it, however, choose to raise Steel Prices in 1956, instead of absorbing the cost of the 1956 wage increase, it could escape absorbing any of this cost and could, instead, increase its Net Profits again - as it has done repeatedly in recent years.

(4) Rapid Amortization

The Profit figures discussed above are the reported Profit figures. As high as they are, they sharply understate the true profitability of the Corporation.

In recent years the Corporation, through the use of Certificates of Necessity, has been permitted to amortize varying percentages of its defense facilities at a faster rate - 5 years instead of the usual 20 to 30 years. This faster rate of depreciation is called Rapid Amortization. It represents a charge to the "costs" of doing business over and above "normal" depreciation charges. There is no question of the legality of these charges for Rapid Amortization. However, viewed historically, they do represent a charge that the Corporation was not permitted to make in prior years. Such charges have the effect of considerably reducing Profits, both Before and After Taxes.

In 1955 the charges for Rapid Amortization were $147,748,155, a record high - more than 40% above the similar charge in 1953. The Corporation was first permitted to make this charge in 1950. Had the Corporation not been permitted to make this charge, Profits Before Taxes would have been $147.7 million (or a major portion thereof) higher than the reported $736.1 million; Net Profits would have been $70.9 million (or a major portion thereof) higher than the reported $370.1 million. This would have brought Net Profits to a total of $441 million, which is far above the previous record of $271.5 million earned in 1916.*

Translated into cents per manhour for all employees the charge for Rapid Amortization amounts to 27.7¢ per manhour.

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* Even if the $147.7 million includes "normal" depreciation on the facilities covered by the Certificates of Necessity, Profits Before Taxes are affected by $118.2 million and Net Profits by $56.7 million.

(5) Sales

Sales during 1955 totaled $4,097,680,287 - an all-time high, representing an increase of 26.1% over 1954 Sales and 6.1% over 1953 Sales. The following table shows quarterly Sales for the past three years:

SALES

	1955	1954	1953
4th Quarter	$1,093,714,876	$809,894,780	$941,024,102
3rd Quarter	1,035,804,426	769,632,110	999,853,404
2nd Quarter	1,094,833,924	840,016,178	992,231,313
1st Quarter	873,327,061	830,826,211	927,925,909
	$4,097,680,287	$3,250,369,279	$3,861,034,728

(6) Payroll Costs (Total costs including Social Security Taxes, Pensions, Insurance, etc.)

During 1955 Payroll Costs totaled $1,614,885,659, an increase of 16.4% over 1954 costs and 2.9% over 1953 costs. A quarterly breakdown of payroll costs for the past three years follows:

PAYROLL COSTS

	1955	1954	1953
4th Quarter	$434,153,092	$356,573,303	396,195,373
3rd Quarter	422,898,168	334,728,317	400,822,821
2nd Quarter	402,629,099	337,466,937	391,234,649
1st Quarter	355,205,300	358,184,267	380,981,093
TOTALS	$1,614,885,659	$1,386,952,824	$1,569,233,936

(7) Operating Ratios

(a) Percentage Net Profit to Net Worth

During 1955 the Corporation was able to add $221,972,243 to its Earned Surplus after paying dividends on both its preferred and common stocks. This brought the total Net Worth to $2,582,572,051. The Net Worth represents the entire investment of the stockholders and owners in the Corporation. There are also Miscellaneous Reserves which were in excess of $100 million at the end of 1955. The Corporation's Long-Term Debt was approximately $286.1 million at the end of 1955.

The Stated Net Profit for 1955 is equal to a 14.33% rate of Return on Net Worth. This figure is more than double the 6% return which is normally considered fair or reasonable and is well above the return in any recent year. These comparative annual figures, based on Stated Net Profit, are shown in the following table:

Year	% Net Profit on Net Worth
1955	14.33%
1954	8.32%
1953	9.85%
1952	6.73%
1951	8.80%
1950	10.69%
1949	8.65%
1948	7.07%
1947	8.39%
1946	6.09%
1945	4.07%
1944	4.26%
1943	4.44%
1942	5.04%
1941	8.22%
1940	7.53%
1939	3.13%

(b) Percentage Net Profit to Sales

The Corporation earned 9.03¢ on each Dollar of Sales, based on the Corporation's Stated Net Profit. This return on the sales dollar exceeds that for any recent year except 1940, as indicated in the following table which shows the return per sales dollar based on the Corporation's Stated Net Profit for each of several recent years.

Year	Net Profit Per Sales Dollar
1955	9.03¢
1954	6.01¢
1953	5.75¢
1952	4.58¢
1951	5.23¢
1950	7.29¢
1949	7.21¢
1948	5.22¢
1947	5.99¢
1946	5.92¢
1945	3.32¢
1944	2.92¢
1943	3.17¢
1942	3.82¢
1941	7.16¢
1940	9.47¢
1939	4.86¢

The foregoing comparisons are shown for your information only. The Union does not feel that the rate of return per Dollar of Sales is a sound measure of the Corporation's profitability or its ability to grant wage increases. Actually, it should be possible during periods of high production, such as have existed in most recent years, for the Corporation to reduce its return per sales dollar without adversely affecting its Net Profit. And this has actually happened. The 1953 rate of return per sales dollar, for instance, was below that for some

recent years. Yet Stated Net Profits were at a higher level than in any of these years -- in fact, at the highest level in the preceding 38 years.

(c) Shares of the Sales Dollar

The respective shares of the Sales Dollar as they are reflected in the Corporation's Income Statements for the last 7 years follow:

	1955	1954	1953	1952	1951	1950	1949
Payroll Costs	39.41¢	42.67¢	40.64¢	42.14¢	39.00¢	39.89¢	41.09¢
Material Costs	33.08¢	34.90¢	36.74¢	41.82¢	37.73¢	37.90¢	38.72¢
Depreciation (incl. Rapid Amortization)	6.96¢	8.06¢	6.13¢	4.94¢	3.45¢	3.67¢	4.24¢
State & Local Taxes	2.37¢	2.36¢	2.31¢	2.18¢	2.14¢	2.12¢	2.44¢
Interest	.22¢	.16¢	.06¢	.06¢	.06¢	.07¢	.10¢
Federal Income Taxes	8.93¢	5.84¢	8.37¢	3.73¢	11.29¢	7.92¢	5.48¢
War Costs (Credit)	----	----	----	-.14¢	-.05¢	-.06¢	-.24¢
Depreciation - Extra	----	----	----	.69¢	1.15¢	1.20¢	.96¢
Net Profit (Stated)	9.03¢	6.01¢	5.75¢	4.58¢	5.23¢	7.29¢	7.21¢
TOTALS	100.00¢	100.00¢	100.00¢	100.00¢	100.00¢	100.00¢	100.00¢

The foregoing comparisons of the shares of the Sales Dollar, when it is divided among the various component Costs and Profit, are most interesting. They show that prior to 1952 Wages (Payroll Costs) received a steadily decreasing share of the Sales Dollar. This trend was apparently reversed in 1952. This apparent reversal stems from the distortions caused by the strike. In 1953, Labor's share of the sales dollar was less than in 1952 as the distorting effects of the strike were eliminated, but higher than in other recent years (1950 and 1951). This was probably mainly a result of the high level of operations and its accompanying overtime, as well as of the increased set-asides for pensions. In 1954, Labor's share rose as it always does during low level operations - though this rise was accompanied by unemployment and short work weeks. In 1955 Labor's share dropped sharply to the lowest point since 1951. Net Profits as a share of the Sales Dollar rose sharply while Material Costs showed a continuing decline. This would tend further to refute Industry claims that Price increases are necessary, in part to meet rising Material Costs.

(d) Profits Per Manhour

Another measure of the Corporation's profitability is its earnings per manhour worked. The following table shows Net Profits and Profits Before Taxes per manhour since 1939:

	Net Profits Per Manhour	Profits Before Taxes Per Manhour	Yearly Manhours Worked (a)	Net Profits	Profits Before Taxes (b)
1955	69.35¢	137.92¢	533,700,000	$370,099,353	$736,099,353
1954	39.30¢	77.52¢	497,200,000	195,417,611	385,417,611
1953	37.29¢	91.53¢	595,500,000	222,087,840	545,087,840
1952	26.94¢	52.93¢	533,400,000	143,687,746	282,325,518
1951	30.29¢	102.32¢	608,600,000	184,359,787	622,725,998
1950	37.93¢	85.37¢	568,100,000	215,464,142	484,982,270
1949	31.84¢	60.25¢	521,100,000	165,908,829	313,954,572
1948	21.86¢	49.57¢	593,000,000	129,627,845	293,963,289
1947	22.13¢	42.55¢	574,400,000	127,098,148	244,398,148
1946	18.20¢	24.77¢	486,883,697	88,622,475	120,622,475
1945	9.49¢	14.40¢	611,268,987	58,015,056	88,015,056
1944	8.36¢	17.29¢	727,363,222	60,791,281	125,791,281
1943	8.35¢	19.60¢	749,819,696	62,631,742	146,948,546
1942	10.48¢	33.34¢	680,115,109	71,248,569	226,748,569
1941	19.20¢	38.82¢	605,012,987	116,171,075	234,871,075
1940	20.93¢	26.32¢	488,329,447	102,211,282	128,511,282
1939	10.00¢	13.16¢	411,111,863	41,119,934	54,094,934

As can be seen from the foregoing table, Profits per Manhour both Before and After Taxes have risen to new highs. The 69.35¢ Net Profits per Manhour earned for 1955 are almost seven times the 10¢ earned in 1939. The 137.92¢ Profits Before Taxes per Manhour for 1955 are more than ten times the 13.16¢ earned in 1939.

(e) Dividends

During 1955, the Corporation paid its regular annual dividend rate of $7.00 per $100 par share of preferred stock.

Total cash dividends on the common stock totaled $122,907,433, the 1st time the Corporation has ever disbursed more than $100 million to its common holders. The total was 43.7% higher than the $85,517,366 paid in 1954.

The common dividend rate has moved sharply upwards. The current annual rate of $2.60 per share is meaningless for comparative purposes because of stock splits. It takes 6 shares of common stock today to represent the equivalent of one 1940 share. In terms of a 1940 share of stock, the current dividend rate is $15.60 per year and was $13.80 in 1955. The 1955 rate was 41.5% over the 1954 rate and 245% over the 1940 rate.

(a) Manhours worked are taken from the Corporation's annual reports. Starting with 1947, the Corporation has reported only rounded figures.

(b) The Profits Before Taxes figures have been adjusted to include Accelerated Depreciation Charges for certain years prior to 1953. No other adjustments such as War Costs Credits or Inventory Profits have been made.

The following table shows the dividend rate on the basis of a 1940 share of stock:

1956 (estimated)	$15.60
1955	13.80
1954	9.75
1953	9.00
1952	9.00
1951	9.00
1950	10.65
1949	6.45
1948	6.00
1947	5.00
1946	4.00
1940	4.00

(f) Capital Improvements

During 1955 the Corporation spent approximately $240 million on modernization and expansion as compared with $227 million in 1954. The Corporation has obligated itself to spend another $550 million.

(8) Production and Shipments

The Corporation produced 35.3 million short tons of steel ingots during 1955 at a rate of 90.8% of its rated capacity. Currently the Corporation is operating at an even higher rate. The quarterly operating rates for the past five years are shown in the following table:

	1955	1954	1953	1952	1951
4th Quarter	96.6%	75.3%	97.6%	108.1%	101.9%
3rd Quarter	86.8%	66.3%	95.8%	67.2%	100.9%
2nd Quarter	94.4%	70.7%	98.1%	61.0%	103.2%
1st Quarter	85.5%	80.8%	102.1%	103.7%	99.2%
ANNUAL RATE	90.8%	73.2%	98.4%	85.0%	101.3%

Net Shipments of Finished Steel during 1955 totaled 25,506,032 net tons. This is above the prior record shipments of 25,090,789 tons in 1953. The quarterly Net Shipments for the last three years are shown in the following table:

	1955	1954	1953
4th Quarter	6,520,365	4,842,134	6,139,666
3rd Quarter	6,151,331	4,484,803	6,004,920
2nd Quarter	7,056,140	5,358,982	6,337,604
1st Quarter	5,778,196	5,552,954	6,608,599
TOTALS	25,506,032	20,238,873	25,090,789

(9) Employment, Hours, and Wages

The average number of persons employed during 1955 was 272,646, slightly above the 268,142 employed in 1954, but well below the 301,560 employed during 1953, the 294,263 during 1952, and the 301,328 during 1951. Average earnings

for all employees in 1955 were estimated by the Corporation at $101.28 (weekly) and $2.70 (hourly) as contrasted with $88.47 and $2.49 in 1954. For the 4th Quarter of 1955, the figures were $106.64 and $2.79, while for the comparable 1954 period, the figures were $92.78 and $2.55. Weekly hours of work averaged 37.5 in 1955 compared to 35.6 in 1954, but were below those for any year since 1940 except the three strike years - 1946,1949, and 1952. It is important to remember that average weekly and hourly earnings of the Corporation's employees represented by the Steelworkers are significantly lower than the all employee figure shown above.

(10) Capacity Changes

The Corporation's rated capacity as of January 1, 1956 was 39,215,000 short tons. This is an increase of 338,000 short tons over rated capacity as of January 1, 1955. Rated capacity as of the beginning of the year is shown for several recent years in the following table:

1956	39,215,000
1955	38,877,000
1954	38,715,000
1953	36,399,000
1952	34,642,600
1951	33,868,700
1950	32,000,000
1949	31,300,000
1948	31,200,000

Comparison of Prices

December 1955

(All prices per 100 kg. converted into Swiss francs)

Bituminous Coal

Fed. Rep. Germany	Un.St. America		Gt. Britain	France			Belgium	Austria	Italy
			Leeds	Douai	Lorraine			Vienna	Milan
Coking coal, under 10 mm. washed, ex mine Ruhr basin (1)	Bituminous prepared size, large domestic	screenings, industrial	Yorkshire singles, washed, home price ex mine	Run-of-mine, 33/35 mm. ex mine	Nuts, 15/36 mm. washed ex mine	Saar basin f.o.b. frontier station	Nuts II 30-50 mm. washed f.o.r.	Upper Schleswig ex slide or store	Run-of-mine British in waggon loads
	average price ex mine								
5.46	3.47	2.28	4.71	5.72	6.34	7.47	7.29	14.53	12.51

Iron Ore

Fed. Rep. Germany	United States of America			France			Sweden
	Lake Superior		New York				
Sparry ironstone, 48% Fe free on waggon at mine	Old Range 51.5% Fe Bessemer free docks	Masabi Non-Bessemer Lake Erie ports	Eastern 56-62% Fe free at furnace	32% Fe, with limestone content (minette) ex Eastern mines (5)	44% Fe 16% Si free on waggon Breton mines	12% Si, 4% Mn Pyrenean mines	Kiruna D, 60% Fe 1.8% P c.i.f. North Sea ports
4.27	4.48	4.35	4.45	1.51	1.66	2.49	5.94

Steel Scrap (15)

Fed. Rep. Germany	United States America		Canada	Gt. Britain	France	Belgium		Italy
Essen	Pittsburgh		Hamilton, On.		Paris			Milan
Ia utilisable as steel charge (16) free on waggon at station of despatch	Heavy melting steel No. 1 purchase price delivered to consumer, including commission	No. 2	Heavy melting steel No. 2 purchase price Ham. district	Heavy melting 500 tons & over North-east coast	Heavy melting 150x50x50 (17) full waggon load ore price	Open hearth free on waggon at station of despatch	Blast furnace utilisable as charge	RM 10 150x50x50 free on waggon or free on truck
16.03	21.07	18.37	16.67	9.56	9.60	20.12	19.24	17.52

Comparison of Prices

December 1955

(All prices per 100 kg., converted into Swiss francs)

Tin Plate

Fed. Rep. Germany N. Rhineland-Westph.	Un.St. America Pittsburgh	Gt. Britain Cardiff	France Bar-le-Duc	Belgium Antwerp	Italy Milan	Japan
0.28 mm. thick basic price ex works (12)	Fire-tinned, coke quality; 1.25 lbs f.o.t. price on home market	Fire-tinned 112 sheets 14" x 20" f.o.t. price on home market	Open-hearth quality, no taxation paid; 10 ton lots; basic price ex works (10)	112 sheets 28x20; 0.31 mm. in double crates E; export price f.o b. (11)	Local sheets 3/10, free at wholesale store	0.257 mm. x 20" x 28" packed ex works
122.31	38.70	76.50	110.26	105.21	137.30	133.27

Steel Rails

Fed. Rep. Germany N. Rhineland-West.	Un. St. of America Pittsburgh	Great Britain	France	Belgium	Japan
Vignol, in 1000 ton lots; ex Oberhausen (12)	Heavy rolled T rails, standard; price on home market ex works.	Heavy 40-90 lbs per yard. Delivery in 500 ton lots f.o.t. ex works	SNCF quality 14 - 17 m. long (10) Basic steel quality ex Thionville	17.85 kg. per m. basic steel quality, in 500 ton lots ex Charleroi	Heavy, 50 kg. per m. free at purchaser's station
45.90	45.38	39.24	45.31	46.35	53.44

Semi-Products

Fed.Rep.Germany N. Rhineland-Westph.	United States of America Pittsburgh		Great Britain	France	Belgium	Japan
Basic steel quality (9); basic price ex Dortmund or Ruhr locality	Billets for rolling	Billets for forging Bessemer qual.	Billets for rolling, soft UT, in 100 ton lots	Blooms, basic steel quality 150 mm. (10) ex Thionville	Billets for rolling, basic steel quality, (7) 60 x 120 mm. ex Charleroi	Billets 75 x 75 mm. free at purchaser's station or c.i.f. purchaser's port
	Price on home market ex works					
34.39	33.01	40.73	32.41	28.44	33.41	40.08

Comparison of Prices

December 1955

(All prices per 100 kg., converted into Swiss francs)

Heavy Plates

Fed. Rep. Germany N. Rhineland-Westph.	Un.St.America Pittsburgh	Gt.Britain	France	Belgium	Austria Vienna	Italy Milan	Japan
Basic steel quality; basic price (12) ex Essen	Hot rolled price on home market ex works	Domestic price f.o.b. N.East coast	10-25 mm. ex Montmédy (10)	4.76 thick basic steel quality, ex Charleroi (7)	St.00.12 ex store	4 mm thick and upwards ex wholesale store	4.5 mm. x 4 x 8 delivered to purchaser's station
45.06	43.38	39.78	44.12	48.10	65.77	71.95	61.27

Thin Plates

Fed.Rep.Germany N.Rhinel.-West.	United States of America Pittsburgh		Great Britain			France	Belgium	Italy Milan	Japan
Commercial, 2.75 mm. box annealed basic price (9) ex Singen	18 gauge, not rolled, del. to purchasing plant	20 gauge, galvanised, ex producing plant	17 - 20 gauge uncoated cold rolled delivered to purch.	17 - 20 gauge galvanised corrugated (14) exp. price UK port	17 - 20 gauge galvanised corrugated del. to purchaser	Basic steel quality 2.75-3 mm. NPO annealed ex Montmédy (10)	Basic steel quality 2.75-3 mm. NPO annealed ex Charleroi (7)	Galv. No. 20, ex wholesale store	0.29 mm. x 3 x 6 c.i.f. purchaser's port or free purchaser's st.
56.20	41.74	56.40	56.14	73.67	66.22	52.49	55.97	101.15	71.80

Sections

Fed.Rep.Germany N.Rhinel.-West.	United States of America Pittsburgh		Great Britain	France	Belgium	Italy Milan	Japan
Basic steel quality, ex Oberhausen (12)	Rolled structural sections shapes Price on home market, ex works		Angles & girders, open hearth quality, home price free purch. station	Normal girders 180-300 basic steel quality ex Thionville (10)	Structural steel shapes, basic steel quality ex Charleroi (7)	U-shape 80-250 mm ex Milan	Girders, ingot steel 9x75x75 mm c.i.f. purchaser's port
40.17	44.34	46.95	37.25	36.86	42.85	61.88	48.73

Comparison of Prices

December 1955

(All prices per 100 kg., converted into Swiss francs)

Merchant Bars

Fed.Rep.Germany N.Rhinel.-West.	Un.St.America Pittsburgh	Gt. Britain	France	Belgium		Austria Vienna	Italy	Japan	
Basic steel quality, basic price (12) ex Oberhausen	Hot rolled steels, home price ex works	Rounds & squares 5/8 - 3 ins. basic steel qual., home price ex works	Merchant bars 20-30 mm. ex Thionville (10)	Basic st. quality 16 mm thick ex Charleroi (7)	Rounds 5/8 ins. Export pr. f.o.b. Antwerp (11)	St.00.11 ex store	Rounds under 80 mm ex Milan	Rounds ingot st. 9 mm (13) c.i.f. buyer's port	Rounds open hearth quality 1/2 - 1 in. export pr. f.o.b.
41.21	44.83	46.82	37.49	43.29	45.91	54.66	54.57	49.66	50.29

Wire Rods

United States America Pittsburgh	Great Britain	France	Belgium		Japan
Open hearth quality price at home, ex works	Open hearth quality delivery free to purchaser	Basic steel quality 5.5 mm average ex Thionville (10)	Basic steel quality domestic price, ex Charleroi (7)	5/6 B W G basic steel quality export price (11) f.o.b. Antwerp	5.5 mm average as a rule, free at purchaser's station or c.i.f. purchaser's port
48.49	40.22	37.62	43.73	46.79	49.53

Source: Federal Bureau of Statistics, Wiesbaden : Prices, Wages, Economic Calculations
Section 8: Wholesale Trading Prices Abroad (Year 1955, No. 3, Part III)

Explanations and Notes

(1) Federal Republic of Germany

Anthracite coal and coke - The price as from 1st July 1951 till 30th April 1952 does not take into account the higher price of DM 35.00 for so-called "top grade" coal, and DM 46.20 per 1,000 kg. for so-called "top grade" coke, nor the workers' housing levy, which was imposed as from 1st November 1951 and which amounted, until 31st October 1954, to DM 2.00 per 1,000 kg., and as from 1st November 1954 to DM 1.00. From 1st May 1952 till 31st March 1954, special price regulations applied to certain groups of consumers. The price as from 15th March 1953 does not include the equalisation assessment levied from that date onwards for purposes of the Common Market, and amounting to DM 0.65 per 1,000 kg. This amounted as from 10th February 1955 to DM 0.43 per 1,000 kg. in the case of anthracite coal and briquettes, and to DM 0.58 in the case of coke.

(5) France

Iron ore - The price, as from 1st January 1955, for minette ore containing, when in dry condition, an average of 29% Fe, 19-20% CaO, 8% SiO_2, about 0.65% P, in full waggon-loads ex mine Errouville (6 km from Audun-le-Roman railway station), is net, payable 15 days after despatch. Extra charges or deductions in case of variations from the average analytical content are: 65 Fr.fr. for every 1% Fe, 15 Fr.fr. for every 1% of CaO, or 15 Fr.fr. for every 2% of SiO_2.

(7) Belgium

Domestic prices as from 20th May 1953 for pig iron and steel are f.o.r. ex works at the station in question. Until 19th May 1953, domestic prices were taken to mean free at the place of desination and were higher than the "ex works basis" to the extent of the following amounts (the difference being due to freight charges): for phosphatic foundry pig iron, B.fr. 180 more; for hematite pig iron, merchant bars, sections, rails, steel plates and heavy plates, B.fr.140 more; for thin plates, B.fr. 175 more per 1,000 kg. The "Monnet rebate", amounting to 2.5% of basic prices, which was in force from 1st February 1954 till the beginning of 1955, was not taken into account.

(9) Federal Republic of Germany

As a result of a change in the nomenclature for iron and steel products on the Common Market, as from 20th May 1953:- firstly, for semi products (blooms, billets, flat bars) there is a uniform basic price ex works under the term "rolled semi products"; secondly, for thin plates of the former grade called St.II 23, box annealed, the new term is "Thin sheets, 2.75 mm. box annealed or normalised (NPO)". The various qualities of steel are taken into account in the graduation of prices according to quality.

(10) France

With the establishment of the Common Market, starting from 20th May 1953, some starting points for the calculation of freight were altered in the case of various steel products within individual price areas. Until 19th May 1953, all basic prices ex works applied to Thionville as the place of despatch (Eastern region.) In the case of contracts with long delivery dates, some of the Common Market prices did not come into force till 1st June 1953. The Monnet Rebate, amounting to 2.5% of the basic price, which was in force from 1st February 1954 till 14th January 1955 inclusive, was not taken into account.

(11) Belgium

Export prices for steel products (f.o.b. Antwerp or free to Belgian frontier) applied until September 1951 to exports to all countries, and from October 1951 to 19th May 1953 to exports to EPU member countries. As from 20th May 1953 the reference is to basic export prices (minimum prices) fixed under the Brussels Steel Export Convention for the area covered by the European Coal and Steel Community, in the case of goods delivered to all non-dollar countries outside the Community. In the case of exports to the dollar area (United States of America and Canada) and to Switzerland, special prices apply as from October 1951 and 16th January 1954 respectively.

(12) Federal Republic of Germany

The price for rolling mill products as from 1st December 1950 includes the supplement of DM 2.00 per 1,000 kg. payable by iron consumers and the trade to the compensation fund of iron fabricating plants in countries situated far from the mines. This supplement was raised as from 10th April 1952 to DM 3.25 per 1,000 kg. The price likewise includes the extra charge, amounting to DM 0.25 per 1,000 kg. from 1st October 1950 to 30th June 1952, and to DM 0.50 starting from 1st July 1952, payable by consumers to the price equalisation fund for the iron consuming industry in West Berlin. The price in the period from 23rd July 1953 till 31st January 1954 is less the special rebate, amounting on the average to 5%, granted by the iron and steel making industry. No account was taken in the price figures of the Monnet Rebate, granted as from 1st February 1954, and amounting to to 2.5% of the basic prices of wire rod (until 31st July 1954), merchant bars (until 19th September 1954), sections, thick and medium plates (until 31st October 1954).

(13) Japan

In November 1954, the basis of statistical enquiry was altered for some steel products. Prices of merchant bars, up till October 1955, refer to products with a diameter of 13 mm.

(14) Great Britain

For thin plates, prices given are officially fixed minimum export prices up till 31st March 1952, and the proceeds actually received from exports as from 1st April 1952. The difference in price between minimum export prices and actual proceeds on 1st April 1952 was £20.0.0. per 2,240 lbs.

(15) Steel Scrap

From 15th March 1953 until 31st March 1954, nine price zones were fixed for member countries of the European Coal and Steel Community. The basic price (so-called "limit price") in Zone I applying to the purchase of heavy iron and steel scrap, Grade No. 11, for deliveries f.o.r. station of despatch, f.o.t., ex store or free on wharf at the loading port, amounted from 15th March to 14th June 1953 to $34.50 per 1,000 kg., from 15th June 1953 to 14th January 1954 to $31.50, from 15th January to 31st March 1954 to $28.50. Purchase prices paid, including all non-deductible taxes, were not allowed to exceed the "limit price" but the allowable margin of dealer's profit by which they might be exceeded amounted to $1.50 per 1,000 kg. For other types of scrap and the remaining price zones, special extra charges or deductions (so-called differential amounts) applied in relation to the basic price.

(16) Federal Republic of Germany

Steel Scrap - From 20th November 1950 till 9th April 1952, this price included a delivery bonus of up to DM 19.00 per 1,000 kg. The prices till 14th March 1953 are free at the final stopping place at the main station of Essen, and from 15th March 1953 to 31st March 1954 the price is that for price zone I. In the period from 1st January 1955 till 30th June 1955, a bonus of DM 5.00 per 1,000 kg. was paid in addition to prices quoted.

(17) France

Steel scrap - As from 1st April 1954, prices given are free purchase prices including purchase tax for the Paris region (Department of Seine).

APPENDIX III

STEEL PRODUCTION

	metric tons 1954	1955
In Free World		
Europe		
Western Germany	17,434,000	21,336,000
Great Britain	18,817,000	20,108,000
France	10,627,000	12,592,000
Belgium	5,009,000	5,892,000
Italy	4,207,000	5,395,000
Luxembourg	2,828,000	3,225,000
Saar	2,805,000	3,165,000
Sweden	1,862,000	2,149,000
Austria	1,653,000	1,826,000
Netherlands	928,000	973,000
Denmark	199,000	237,000
Turkey	171,000	197,000
Finland	177,000	187,000
Switzerland	150,000	166,000
Norway	121,000	166,000
Greece	42,000	40,000
Americas		
U.S.A.	80,115,000	106,175,000
Canada	2,864,770	4,082,055
Brazil	1,157,000	1,166,000
Mexico	536,000	575,000
Chili	321,000	310,000
Argentina	100,000	100,000
Columbia	20,000	76,000
Venezuela	15,000	15,000
Asia, Australasia and Africa		
Japan	7,750,000	9,408,000
Australia	2,257,000	2,232,000
India	1,712,000	1,728,000
South Africa	1,431,000	1,584,000
Southern Rhodesia	33,000	40,000
Israel	5,000	40,000
Philippines	10,000	20,000
Algeria	12,000	12,000
Pakistan	10,000	11,000
Egypt	10,000	10,000
Other Countries		
Spain	1,100,000	1,202,000
Communist Countries		
U.S.S.R.	41,300,000	45,200,000
Czechoslovakia	4,330,000	4,476,000
Poland	3,950,000	4,427,000
China	2,225,000	2,850,000
Eastern Zone of Germany	2,344,000	2,500,000
Hungary	1,491,000	1,630,000
Yougoslavia	616,000	806,000
Roumania	627,000	765,000
Bulgaria		60,000
World total :	223,371,770	269,154,055

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